FOREIGN BROADCAST INFORMATION SERVICE

Daily Report

Central Eurasia

ATTENTION!! ATTENTION!! ATTENTION!!

FBIS will phase out publication of most of its paper reports, including ALL Daily Reports and most FBIS Reports, by 31 December 1996.

See inside for information on how to access FBIS products and services electronically.

FBIS-SOV-96-047
Friday
8 March 1996

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

March 1996

Dear Customer:

Responding to our many customers' requests, NTIS will be offering FBIS publications electronically. Due to resource limitations, hardcopy production of FBIS publications will be phased out during 1996. We will notify our customers well in advance of the expiration date for each of our publications. Please see below regarding electronic access to products.

Our goal is to cease publication of all reports by 31 December 1996, except for S&T PERSPECTIVES, S&T CENTRAL EURASIA, S&T CHINA, S&T KOREA, S&T EUROPE, and S&T JAPAN. The S&T reports will continue to be published as hardcopy until the graphics they contain can be disseminated on-line.

FBIS products are offered electronically through the National Technical Information Service's (NTIS) "World News Connection" (WNC). This is a new on-line subscription service accessible through the World Wide Web. The Web address is http://wnc.fedworld.gov. Please see next page for a subscription form or call NTIS Fax Direct at 703-487-4140 and enter product code 8645 to receive more information.

World News Connection™

A Foreign News Alert Service from the U.S. Government

World News Connection - WNC1.....**$ 21**
7 Day - Introductory Offer
Unlimited interactive searching
[no profiles]
Order number SUB-9856BDQ

World News Connection - WNC2.....**$ 50**
Monthly
Unlimited interactive searching
[no profiles]
Order number PB95-985700BDQ

World News Connection - WNC3.....**$ 75**
Monthly
Unlimited interactive searching
[1 profile]
Order number PB95-985800BDQ

World News Connection - WNC4.....**$100**
Monthly
Unlimited interactive searching
[up to 5 profiles]
Order number PB95-985900BDQ
(Prices are subject to change)

User Name *(Please Print or Type)*	Internet E-mail Address *(Required)*	Order Number	Price
1) _____	_____	_____	_____
2) _____	_____	_____	_____

(Continue on a blank sheet if more space is required)

Deposit Account Number (for NTIS account customers only): _____

Customer Master Number (if known): _____ Date: _____

Contact Name: _____ Organization: _____

Street Address: _____ City: _____ State: _____ Zip: _____

Province/Territory: _____ Country: _____

Foreign Postal Code: _____

Internet E-mail Address (Organization contact person): _____

Telephone Number: ( ) _____ Fax Number: ( ) _____

Credit Card Number: _____

Credit Card Expiration Date: _____

Card Type (Visa, Master Card, or American Express): _____

Cardholder's Name (as printed on the credit card): _____

Cardholder's Signature (required to validate all orders): _____

(Please fax this form back to NTIS at **703-321-8547**. Fax service is available 24 hours a day, 7 days a week.
To verify receipt of your fax, call (703) 487-4679 between 7:00am - 5:00pm, Monday - Friday, Eastern Time.)

Daily Report
Central Eurasia

FBIS-SOV-96-047 *8 March 1996*

CONTENTS

NOTICE: An * indicates material not previously disseminated in electronic form.

CHECHEN AFFAIRS

Russia: Kulikov, Zavgayev Head for Chechnya With Yeltsin Orders *[ITAR-TASS]* 1
Russia: Security Council To Consider Options for Chechnya *[NEZAVISIMAYA GAZETA 7 Mar]* 1
Russia: Rebels Approach Government Building in Groznyy *[ITAR-TASS]* 1
Russia: Dudayev Rebels Control About One-Third of Groznyy *[Moscow Radio]* 2
Russia: Pro-Government Supporters Head for Groznyy *[INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY]* 2
Russia: Troops Clear Out Dudayev Militants From Groznyy *[Radio Rossii]* 2
Russia: Thousands 'Trapped' in Sernovodsk, Chechnya *[ITAR-TASS]* 3
Russia: Chechen Mafia Activities, Leaders Examined *[PRAVDA-5 1-8 Mar]* 3

RUSSIA INTERNATIONAL AFFAIRS

Russia: All Sides Said To Gain From Ending Poultry Ban *[SEGODNYA 7 Mar]* 6
Russia: Yeltsin, Iran's Velayati Discuss International Terrorism *[ITAR-TASS]* 6
Russia: Velayati, Primakov Oppose NATO Eastern Expansion *[Moscow NTV]* 7
Russia: Velayati: Iran-Russia Relations at 'Highest Level' *[Tehran IRNA]* 7
Russia: Moscow on U.S. Concern Over Iran-Bosnia Relations *[Moscow International]* 8
Russia: Foreign Ministry: Sarajevo Situation Undermines Confidence *[INTERFAX]* 8
Russia: Foreign Ministry Statement on Estonian Nationalists *[ITAR-TASS]* 9

RUSSIA NATIONAL AFFAIRS

Political Issues

Russia: Yeltsin Congratulates Women on 8 Mar Holiday *[Moscow ORT]* 10
Russia: Yeltsin Calls For Meeting of Caucasus Leaders *[Radio Rossii]* 10
Russia: Yeltsin Issues Decree on Fighting Terrorism *[INTERFAX]* 11
Russia: Medvedev Explains Yeltsin Decree on Terrorism *[ITAR-TASS]* 11
Russia: Chernomyrdin Specifies Funds To Combat Crime *[Radio Rossii]* 11
Russia: 'Sources' Say Grachev May Replace Lobov *[OBSHCHAYA GAZETA 7-13 Mar]* 12
Russia: Zyuganov Shares Views on Life, Politics, Rivals *[TRUD-7 7-15 Mar]* 13
Russia: APR Leader Criticizes Yeltsin's Land Ownership Decree *[INTERFAX]* 16

Military & Nuclear Issues

Russia: Grachev's Failure in Chechnya May Cost Post *[KOMMERSANT-DAILY 7 Mar]* 17
Russia: Kola Peninsula: 'No Changes' in Radiation Background *[ITAR-TASS]* 17

Regional Affairs

Russia: Bryansk Duma Deputies Criticized on Spending *[ROSSIYSKIYE VESTI 6 Mar]* 18
Russia: Yaroslavl Oblast Governor on 1996 Tasks *[ROSSIYSKIYE VESTI 6 Mar]* 19
Russia: Dagestan Population Left Without Gas *[ITAR-TASS]* 20

Economic Issues

Russia: Panskov on Wage Arrears, Other Budget Issues *[ROSSIYSKAYA GAZETA 6 Mar]* 20

Russia: Poultry Imports Increase 16-Fold Since 1992 *[INTERFAX]* 22

UKRAINE

International Affairs

Ukraine: Foreign Minister Discusses Security in Norway, Denmark *[Kiev International]* 23
Ukraine: Udovenko, Norway's Godal Discuss Relations With Moscow *[INTERFAX]* 23
Ukraine: PRC Official Discusses Cooperation With Udovenko *[HOLOS UKRAYINY 6 Mar]* .. 24
Ukraine: Bulgaria, Ukraine To Begin Sea Border Military Cooperation *[INTERFAX]* 24
Ukraine: World Bank Guarantees Funding of Sea Launch Project *[INTERFAX]* 24
Ukraine: Navy Council Sums Up First Stage of Black Sea Fleet Split *[INTERFAX]* 25

National Affairs

Ukraine: Supreme Council Amends Law on Election of Deputies *[UNIAN]* 25
Ukraine: President Addresses Veteran Group on Economic Changes *[UNIAN]* 25
Ukraine: Communist Party Leader Assails Draft Constitution *[UNIAN]* 25
Ukraine: National Democratic Parties Support Draft Constitution *[INTERFAX]* 26
Ukraine: Chernobyl Radiation Leak in Nov 1995 Concealed From Public *[UNIAN]* 26
Ukraine: Crimean Council Reserves Right To Call Referendum *[INTERFAX]* 27

Economic Issues

Ukraine: Kuchma Orders Timely Payment of Wages *[INTELNEWS]* 27

WESTERN REGION

Belarus

Belarus: Lukashenka Guarantees FRY Assistance *[INTERFAX]* 28
Belarus: FRY President Objects to Bosnia Solution *[INTERFAX]* 28
Belarus: NATO Teams Complete Inspection of Military Units *[BELAPAN]* 28
Belarus: U.S. EU Representative's Visit Reported *[Minsk Radio]* 28

Moldova

Moldova: Snegur Denies Intention To Unite With Romania *[INFOTAG]* 29
Moldova: Chisinau Committed to Moldovan-Russian Treaty *[INTERFAX]* 29
Moldova: Government, Russia Sign Protocol for Gas Deliveries *[ITAR-TASS]* 29
Moldova: Diacov Denies Intent To Refute Treaty With Russia *[INFOTAG]* 29

CENTRAL ASIA

Kazakhstan

Kazakhstan: President Nazarbayev Talks With Yeltsin *[Almaty Radio]* 31
Kazakhstan: Nazarbayev on Personnel Reshuffle, Crime Issue *[Almaty TV]* 31
Kazakhstan: Vice President Asanbayev Leaves Office *[ITAR-TASS]* 32

Kyrgyzstan

Kyrgyzstan: Akayev, Dzhumagulov To Meet Visiting U.S. Delegation *[ITAR-TASS]* 32
Kyrgyzstan: President: Peak of 'Catastrophic' Situation Passed *[Moscow ORT]* 32

Tajikistan

Tajikistan: Afghan President Rabbani Arrives in Dushanbe *[Kabul Radio]* 32

Tajikistan: Afghanistan's Rabbani Views Results of Tajik Visit *[ITAR-TASS]* 33
Tajikistan: Rakhmanov Ready To Meet Opposition Leader Nuri *[ITAR-TASS]* 33
Tajikistan: Opposition Accuses Government of Starting Offensive *[ITAR-TASS]* 34
Tajikistan: Tajik Rebels Shell Russian Border Troops *[ITAR-TASS]* 34
Tajikistan: Opposition Repels Government Attack; 30 Killed *[Voice of Free Tajikistan]* 34

CAUCASUS

Azerbaijan

Azerbaijan: Rallies Threatened Over Israel's Terror Remarks on Iran *[TURAN]* 35
Azerbaijan: Aliyev Receives President of French Oil Company *[TURAN]* 35
Azerbaijan: Foreign Minister Denies Disagreement With Iran on Caspian *[Baku Radio]* 35
Azerbaijan: Iran To Join Exploitation of Shahdeniz Field *[Baku Radio]* 35
Azerbaijan: Foreign Ministry Protests Armenian Agreement With Karabakh *[Baku Radio]* 35
Azerbaijan: Baku Says Armenia Meddling in Internal Affairs *[INTERFAX]* 36

BALTIC STATES

Estonia

Estonia: Financing Agreements for Radar Systems Purchase Ratified *[INTERFAX]* 37
Estonia: Foreign Minister on Russian Reaction To Chechen Condolences *[Tallinn Radio]* 37
Estonia: Defense Forces To Conduct Exercises Near Russian Border *[Tallinn Radio]* 37

Latvia

Latvia: Andris Skele, Luc Van den Brande Sign Partnership Agreement *[GAZET VAN ANTWERPEN 6 Mar]* 38
Latvia: Ulmanis Meets With Flemish Prime Minister *[ETA]* 38

Lithuania

Lithuania: Brazauskas Holds News Conference With Polish President *[Vilnius Radio]* 38
Lithuania: Troops Leave for Combat Training in Poland *[BNS]* 40
Lithuania: Flemish Prime Minister Arrives on Official Visit *[ELTA]* 40
Lithuania: Flanders Hopes To Use Klaipeda as 'Gateway to East' *[BNS]* 40
Lithuania: Stankevicius Presents Government Program to Parliament *[INTERFAX]* 41

Russia: Kulikov, Zavgayev Head for Chechnya With Yeltsin Orders

LD0803094796 Moscow ITAR-TASS World Service in Russian 0926 GMT 8 Mar 96

[By ITAR-TASS correspondent Boris Kipkeyev]

[FBIS Translated Text] Moscow, 8 Mar (Itar-Tass) — Russian Interior Minister Anatoliy Kulikov and Chechen Republic chief Doku Zavgayev left Moscow by air for Chechnya this morning. An ITAR-TASS correspondent was informed in the Russian Interior Ministry that the aim of the minister's visit is to hold, jointly with Doku Zavgayev, a conference with the participation of representatives of administrative and law enforcement bodies of Chechnya on problems of settling the conflict in the republic and working out specific proposals on these questions in accordance with instructions from Russian President Boris Yeltsin.

Russia: Security Council To Consider Options for Chechnya

MK0703115996 Moscow NEZAVISIMAYA GAZETA in Russian 7 Mar 96 p 1

[Report by Natalya Kuznetsova and Ilya Maksakov: "Today the Security Council Will Discuss a New Settlement Plan. In Light of Sharply Increased Military Activity, It Could Instantly Become a Worthless Piece of Paper"]

[FBIS Translated Excerpt] Today a Russian Federation Security Council session will consider plans for settling the situation in Chechnya which were drafted and presented by a government commission headed by Premier Viktor Chernomyrdin and a group led by Emil Pain, member of the Presidential Council. Which option will be adopted in principle is not yet known, but according to reports coming in it is very likely that Emil Pain will become the main peacemaker in Chechnya. At least on Tuesday [5 March] he was appointed head of a working group on a cease-fire and settlement in the Chechen Republic.

Aleksandr Nechuyatov, an official representative of the Russian Federation Government who took part in working out "the Chernomyrdin concept," said in an interview with NEZAVISIMAYA GAZETA that he has sufficient information about the concept for resolving the situation in Chechnya which was submitted to the Security Council on Thursday, but refused to say what the final decision will be, citing confidentiality and obligations to which he was bound. [passage omitted]

In his interview with NEZAVISIMAYA GAZETA Aleksandr Nechuyatov suggested that the latest events in Groznyy could affect the concept's implementation. He believes that the complexity of the situation consists in that the plan can only be implemented provided there is no aggressive reaction on the part of illegal armed formations, because the main emphasis is being placed on negotiating processes and a political settlement of the conflict. Force will be used only when absolutely necessary, and mainly against terrorists.

On the other hand, Nechuyatov believes that the concept is a fairly universal document designed to ensure the settlement at various levels. According to him, the aggravation of the situation in Chechnya, if it does not lead to a revision of the whole policy and a search for an adequate solution, will at least produce "some way out."

Arkadiy Volskiy, a participant in the 1995 summer negotiations and deputy head of the Russian delegation, in an interview with NEZAVISIMAYA GAZETA said that before adopting one of the numerous variants for adjusting the situation in Chechnya, the agreements reached earlier on the military block should be implemented in full. "Everybody is talking about seven or eight options. I believe that there can be only two — war or peace; there is no third alternative. Therefore a peace option should be looked for, and this is what the Russian Federation president said. Pavel Grachev has stated on three occasions that he is ready to meet with Dzhokhar Dudayev. I do not think that he was speaking on his own behalf only. I do not see this as anything tragic," Arkadiy Volskiy stressed.

Russia: Rebels Approach Government Building in Groznyy

LD0703211996 Moscow ITAR-TASS World Service in Russian 2057 GMT 7 Mar 96

[By ITAR-TASS correspondent Boris Kipkeyev]

[FBIS Translated Text] Moscow, 7 Mar (Itar-Tass) — Dudayev's rebels have established centers of resistance in every district of Groznyy and their main forces are dispersed along the city outskirts. There is now fighting in the center of the Chechen capital, literally 100 meters from the republican government buildings, ITAR-TASS was told over the telephone from Groznyy by Deputy Prime Minister Abdulla Bugayev. He also stressed that it is premature to talk of Dudayev's rebels controlling any part of the city because "there are only centers of resistance."

According to Abdulla Bugayev, "nobody is daring" to predict how events will develop. The situation is most confused in the city's Staropromyslovskoye district, he said. A recent push by the rebels in the northern part of the city near the former airport was repulsed.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The Chechen government will convene in emergency session on Friday morning to examine the situation in the city, Abdulla Bugayev told ITAR-TASS.

He could not confirm reports that field commander Shamil Basayev is heading the rebels in Groznyy. "It's probably a rumor," he said.

Russia: Dudayev Rebels Control About One-Third of Groznyy

LD0703212196 Moscow Radiostantsiya Ekho Moskvy in Russian 2045 GMT 7 Mar 96

[FBIS Translated Text] The fighting in Groznyy became much less intense when darkness fell. There is no shooting going on in the city center [at the moment]. According to various reports, up to one-third of the Chechen capital is in the hands of the fighters. At least 120 servicemen and Russian and Chechen interior ministry personnel have been killed during today's fighting and over 100 have been wounded. Civilians have been killed too but it is virtually impossible to say how many since the shooting makes it impossible to gather the bodies.

Russia: Pro-Government Supporters Head for Groznyy

LD0703202896 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1855 GMT 7 Mar 96

[FBIS Translated Text] Volunteer militia have set out toward Groznyy from rural areas of the Terek valley to help the Chechnya government, Chechen Deputy Prime Minister Abdulla Bugayev told Ekho Moskvy radio station.

He said they could create serious problems. "We are now trying to avert the possibility of them being fired on by the federal troops," Bugayev said.

He said Dudayev's fighters in Groznyy had seized electricity grids in the east of the city and had taken control room staff hostage. Electricity supplies were cut in some districts of Groznyy during the morning, and water supplies in the city have also been cut.

Fighting was continuing practically all over Groznyy today, and there are casualties among the civilian population, Chechnya Interior Ministry personnel, federal troops, and Russian Interior Ministry personnel, Bugayev reported. He said "it is practically impossible to put a figure on the casualties because the bodies cannot be collected."

Dudayev's fighters fired on a vehicle carrying a team of doctors helping the wounded on the battlefield. A doctor and the driver were killed and a nurse was wounded.

Firing in downtown Groznyy has virtually stopped at the moment, but exchanges of fire can be heard on the outskirts.

The government of Chechnya and the republican structures are operating, Bugayev said, but the district structures of power are paralyzed.

Bugayev said reports that the fighters had seized the Staropromyslovskoye district interior department had not been confirmed.

Russia: Troops Clear Out Dudayev Militants From Groznyy

LD0803111796 Moscow Radio Rossii Network in Russian 1000 GMT 8 Mar 96

[FBIS Translated Text] Special correspondent Andrey Murashov reports on the latest events in Groznyy:

[Murashov] There was constant heavy gun fire in the center of Groznyy last night — the paratroops who entered the city yesterday were clearing areas of the remnants of gangs of Dudayev militants, and enemy snipers were active on roof tops. The shooting damaged of Chechen government buildings and the offices of the Russian Government. There were no casualties among the federal troops during this operation, although on the whole last night was not comforting: there were 13 killed and 53 wounded on the Russian side. There are many casualties among the peaceful inhabitants.

Another battalion of paratroops arrived in Groznyy today. Their task for today is to strengthen the protection of the city center and begin clearing the Zavodskoy and Staropromyslovskiy districts of the city, which are the areas where militants are still concentrated, and, the most complicated, the Oktyabrskiy district.

The Dudayevites have seized the Number Four Clinic and the Number Two city hospital. They are still holding hostage 84 Russian building workers. This morning they freed three hostages they seized yesterday: the director of the third heat and power station, the chief engineer of the second heat and power station, and a workshop head.

Minutka Square is surrounded by federal forces' armored vehicles but there are still Dudayevite snipers in nearby housing areas.

The staff of Russian ministries and departments and journalists are under intensified protection by men of the Ryazan Special Unit Militia Detachment [OMON].

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Russia: Thousands 'Trapped' in Sernovodsk, Chechnya

LD0703181396 Moscow ITAR-TASS World Service in Russian 1625 GMT 7 Mar 96

[By ITAR-TASS correspondent Ruslan Maysigov]

[FBIS Translated Excerpt] ORDZHONIKIDZEVSKAYA (Ingushetia), 7 Mar (Itar-Tass) — Valeriy Kuksa, Ingushetia's emergencies minister, told ITAR-TASS today that there are now between 5,000-6,000 people [trapped] in the Chechen village of Sernovodsk (northwestern Chechnya, near the border with Ingushetia), which has been the target of shelling and air strikes for the last four or five days. He said that Yuriy Gorev, the chief of staff of Ingushetia's civil defense organization, and members of the Russian State Duma had gone to Assinovskaya village (about 40 km west of Groznyy) for talks aimed at opening up a corridor for safe passage on Friday [8 March].

According to eyewitnesses, the situation in Sernovodsk and around it has not changed during the course of the day. Today, as on Wednesday [6 March], a corridor for the safe evacuation of refugees, as well as dead and wounded, was not established. [passage omitted]

Russia: Chechen Mafia Activities, Leaders Examined

964F1350A Moscow PRAVDA-5 in Russian 1-8 Mar 96 No 9, p 5

[Article by Aleksey Grigoryev: "Do Not Confuse a Nation With the Mafia"]

[FBIS Translated Text] At the present time there are seven ethnic communities of Caucasians in Moscow whose protection and patronage is utilized in one way or another by criminal fellow-countrymen. According to data of the RUOP [Regional Directorate for Fighting Organized Crime], the latter number more than 2,000 persons. They are united into 116 organized criminal groups. About 30 of them are Azerbaijani gangs, 20 each—Chechen and Dagestani, 17—Armenian, 14—Georgian, nine-Ossetian, four-Ingush, and a number of others. In 1995 alone they were to blame for about 2,500 crimes—from apartment burglary and extortion to controlling market trade and currency-financial machinations. The discussion today is about the Chechens.

The Case of the Century

A van drove into a secluded little courtyard not far from 38 Petrovka (the Moscow GUVD) [Moscow Main Directorate of Internal Affairs]. People started to load it with heavy bags, belonging to some commercial structure renting premises here. Suddenly, because of the slowness of one of the loaders, one of the bags fell. Money spilled out onto the pavement—bundles of money. Passers-by saw this. Suspecting something was wrong, they reported it to the police. Since they were right nearby.

This is the way the case, which was dubbed the "Chechen aviso," began to unravel. The crime plan was amazingly simple. Ledger money under some sort of contract was transferred to a bank through payment documents. As a rule, this was associated with the purchase of mythical agricultural products, or the delivery of seeds for crops. Further, a sum was entered into the account of a specific commercial structure, after which it was turned into cash and withdrawn, or converted and sent to foreign banks and out into accounts of dummy firms.

According to the calculations of specialists, the damage caused to the budget of Russia by the use of forged bank documents is perhaps comparable to the sum of the foreign loans that have been granted to it. During the arrest of the recently exposed swindlers, astronomical sums of cash were confiscated from them. In the opinion of operatives, this was a well-planned action on the part of the Dudayev regime to finance democratic-criminal reorganizations in the self-doomed republic of Ichkeria.

Caucasus Sparrows and the Russian Speaker

The Chechens aggressively broke into the Russian criminal world in the second half of the 1980's. They rapidly occupied a leading position in Moscow and other cities. This was possible owing to some national characteristics; for example, the clan structure of social relations that had developed historically among these mountain people in their struggle for survival.

Blood ties should also be emphasized as a powerful feature of every Chechen group. They actually make it possible to make use of any representative of their nation for criminal purposes. This has happened even when such a person turned out to be someone from the power structures. A custom is a custom, and, for example, what is left for a poor deputy to do when he is approached by a second cousin of the husband of a first cousin. He is from the same teyp (family), and this means that he is obligated to do everything possible and impossible to resolve the problem. To refuse in this situation is to violate tradition. Not one mountain person would dare take such a step.

The main leader of the criminal "Chechen community" in Moscow in the 1980's was Nikolay Suleymanov, nicknamed Khoza (which, translated from Chechen,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

means sparrow). Under his leadership fellow countrymen rapidly squeezed out the Slav groups that were just beginning to form. But they were still no competitors for the stern Caucasians. Khoza arranged matters in such a way that if necessary he could in an hour assemble up to 300 gangsters. This was quite a force. Rackets, car thefts, hotel burglaries, and kidnappings for the purpose of ransom became the main specialization of the Chechens. Their actions from the very beginning were distinguished by a cruelty that was rare for that time. I will mention only one episode that had far-reaching consequences. It was at the beginning of the 1990's. During that time the director of a joint Russian-Swedish enterprise refused to pay an outrageously increased tribute to Khoza's emissary. Members of Khoza's gang drove him out to a forest in the Moscow area. There they hung him from a branch in such a way that the intractable businessman agreed to all the conditions of the extortioners. Which were of the kind that after making the payments, he would be left without his last pair of pants.

However, on returning to the city he did not start to collect up the money but rushed to the RUOP. As a result of a brilliantly executed operation, the extortioners ended up in the dock. Khoza and his partners received four years in prison.

Deprived of its chief, the monolithic group broke up into several gangs. One of the gangs was headed by Gelani Akhmadov (Khoza's brother). The Talarov brothers, Gennadiy Arkelov, Sultan Daudov, and Richard (an employee of Dudayev's security committee) became the heads of other gangs. From that time, political elements began to be introduced more and more frequently into the criminal platform of the Chechen community. What is felt here in the most direct way is the fact that separatist tendencies began to intensify in Chechnya after the dissolution of the USSR. As they were developing, Ruslan Khasbulatov became chairman of the Supreme Soviet of Russia.

Gangsters-Social Outcasts

The shadow of the speaker, a big political figure from a small nation, even without his approval served as protection for fellow-countrymen. It did not matter what kind of a business they were in: banking or criminal. The main thing was to handle the situation intelligently to one's advantage. How is this done? It is enough to factor in natural cunning and perfidy, qualities, it can be said, that are characteristic of a majority of emigrants from this nation.

The Chechens shunned no methods in the bloody fight of the gangster groups for a tasty morsel of the Moscow territory. For example, they frequently used the following trick in December 1993 in the area of the Koptevo baths. A meeting was supposed to take place there between Koptevo and Chechen gangs. Only at the scheduled hour, instead of the mountain people, the RUOP paid a visit. A firefight broke out between the police and the gangsters. There were losses on both sides. As a result, the rival group was greatly depleted, and it also suffered losses from the subsequent arrests. Rumors spread that the Chechens had "connections" even in law enforcement organs. The answer to this was a cynical chuckle: They said: Why get yourself bruised when you can use somebody else's forehead? But this is viewed poorly even in the criminal world. Moreover, the favorable regime, as time showed, was rotten from the very beginning. Khasbulatov and Dudayev turned out to be representatives of rival teyps. Disagreements became aggravated even in their own environment. Nevertheless, they did not hurt the development of the crime business very much. Those who were fined in Russia were returning home, and those who were uprooted from their usual places by the war occupied the vacancies that were freed where shots were ringing out, but considerably less frequently.

But Khoza himself, who after a stint in prison returned feeling that he had been deprived in the division of the Moscow pie, rushed off to Groznyy. There he got together with Ruslan Labazanov. He tried to find a place for himself, but was unsuccessful. There was a war. He again returned to Moscow. And was shot here by rivals alongside his own foreign car service station in Yuzhnyy port.

With Khasbulatov's departure from the political arena, rival Slavic groups put a strong squeeze on the positions of the mountain people. A further offensive was continued by law enforcement organs simultaneously with the introduction of constitutional order in Chechnya. There were fears that terrorist acts were possible. Fortunately, this did not occur. Owing to the measures that were undertaken in 1995, about 20 Chechen criminal groups with a strength of up to 100 persons were eliminated. Not one crime authority was left in the capital. The general criminal background is created by the remaining poorly organized emigrants from Chechnya. They would return home, but there is a war going on there.

Incidentally, after the establishment in Ingushetia of a free economic zone, the crimes committed in Moscow and other cities of the Russian Federation by representatives of these mountain people declined sharply. Specialists think that this was connected with the fact that an opportunity appeared to make big money, moreover, on a legal basis and at home.

Representatives of more than 100 nationalities live in Moscow and Moscow Oblast today, and more than 60

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

associations of persons coming from the same areas are operating. The region is situated at the center of migration flows. Thus, while 11,600 refugees were registered in the capital in 1993, at the beginning of this year their number increased by a factor of almost seven. Could it be that, having stopped the criminal wave of one outcast nation, we should expect another?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Russia: All Sides Said To Gain From Ending Poultry Ban

MK0703124596 Moscow SEGODNYA in Russian 7 Mar 96 p 2

[Report by Elmar Murtazayev: "Special-Purpose Chickens"]

[FBIS Translated Excerpt] After his third telephone conversation with U.S. Vice President Albert Gore, Prime Minister Viktor Chernomyrdin, by personal directive, removed the ban on the importation of chicken legs from the United States, which had been imposed by the Veterinary Department of the Russian Agriculture Ministry. The story, which has been distressing both Russian officials and U.S. farmers, seems to be drawing to a close. [passage omitted]

As a matter of fact, there is nothing new about a "chicken" war on the world market. Virtually all developed nations use protectionist measures in trade; for instance, automobile or agricultural wars have become quite customary. Even the setting up of technical barriers (including, for example, sanitary and epidemiological standards) has become common practice for leading powers, which fits in well with the rules of the World Trade Organization [WTO]. As for Russia, however, there is a peculiar feature which makes a difference: None of the trade wars [elsewhere], as a rule, have jeopardized the interests of domestic consumers. If, however, the situation in Russian agriculture really is as disastrous as is being depicted by the Agriculture Ministry, it is not quite clear how the authorities are going to compensate for the absence of imported goods.

The method chosen for the solution to the problem is puzzling too. Whereas all over the world the imposition of sanctions is preceded by long rounds of talks and arrangements to be used as a basis for any decisions on measures taken, in Russia the logic was the opposite: First, a ban on imports was announced, and only then did parameters of future arrangements start to be discussed. Incidentally, in disregard of all arrangements with the European Union and the WTO, the government acted in precisely the same way regarding changes in import duties. It was proposed that the weighted-average customs duty rate be raised by 20 percent; only later was it decided that this question should be discussed with an indignant European commission. It turns out, therefore, that a personal conversation between the Russian premier and the U.S. Vice President remains the best way in Russian policy to resolve trade conflicts. Everything is in conformity with tradition: It is people who make rules, not vice versa.

Both the ban on the importation of chicken meat and the elevation of [customs] duties, however, will hardly speed up the process of Russia's becoming a member of the WTO. This, in turn, means that we must again give up, for some time, any plans to defend the interests of our own exporters in an effective way.

Quite paradoxically, all parties involved have benefited from the chicken conflict. The Agriculture Ministry has shown importers that it does exist and can be a formidable force, offering, at the same time, quite good prospects as a future object for investment. The premier has reinforced his image as a person who cares for the old ladies in this country — for whom "Bush legs" figure prominently in their diet — and, in the eyes of the world public, he again behaved like a responsible statesman, true to international commitments. The Americans are also happy, since the market for their products has been retained and farmers can continue expanding their chicken exports. The Russian budget has profited too, since, in the midst of the veterinary ban confusion, the rate of the import tax on chicken meat has been silently raised.

All of the above, however, gives good evidence of the fact that the experience of foreign trade sanctions and bans can be used again, both for fiscal and propaganda purposes. The latter, incidentally, is especially important on the eve of the election.

Russia: Yeltsin, Iran's Velayati Discuss International Terrorism

LD0703174296 Moscow ITAR-TASS in English 1731 GMT 7 Mar 96

[FBIS Transcribed Text] MOSCOW, March 7 (Itar-Tass) — Russian President Boris Yeltsin on Thursday received visiting Foreign Minister of the Islamic Republic of Iran 'Ali Akbar Velayati, the presidential press service informed Itar-Tass on Thursday.

The minister handed over to the Russian president a message from Iranian President 'Ali Akbar Hashemi-Rafsanjani.

The Russian President expressed satisfaction with the present state of good neighbourship with Iran, the press service said. Both sides voiced their readiness to develop mutually advantageous relations in the interests of peace and stability in the region.

Yeltsin has positively assessed Iran's official stance towards the Chechen problem. He also attracted attention to the activization of the Chechen extremists' terrorist activity, saying they are getting support from abroad, first of all from certain circles in Islamic countries.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The president emphasized that combatting international terrorism is a common case of the international community. Russia, for its part, is ready to contribute to the fight. Yeltsin has also emphasized that Iran's influence can promote the creation of conditions for preventing terrorism.

'Ali Akbar Velayati called USA and Israel's accusations of Iran's involvement in acts of terror as inconsistent.

Iran, he said after talks with his Russian counterpart Yevgeniy Primakov, refutes such accusations, which prove the inconsistency of these states to handle the current situation.

International terrorism has become one of the central items in the Russian-Iranian talks, Primakov told reporters. He expressed satisfaction with the position of Iran, which comes out for stepping up fight against terrorism. "All terrorist activities against peaceful population are illegal," Primakov said, adding that they must be "wiped out from the international life."

Russia: Velayati, Primakov Oppose NATO Eastern Expansion

LD0703194096 Moscow NTV in Russian 1600 GMT 7 Mar 96

[From the "Segodnya" program presented by Tatyana Mitkova]

[FBIS Translated Excerpt] Russo-Iranian contacts resumed at summit level today. Iranian Foreign Minister 'Ali Akbar Velayati arrived in Moscow to discuss a number of issues in relations between Moscow and Tehran. Vitaliy Trubetskoy reports:

[Begin recording] [Trubetskoy] [passage omitted] To judge from the news conference the ministers held after their talks, the positions of Moscow and Tehran coincided on virtually all points. Both states advocate prolonging the truce in Tajikistan, developing cooperation in the Caspian oil shelf zone, and categorically reject international terrorism.

[Primakov] I am most inspired by the position of my Iranian colleague who considers that the fight against terrorism should be stepped up and that acts of terrorism against the civilian population are illegal and should be excluded from international life.

[Trubetskoy] Furthermore, Primakov found in the person of 'Ali Akbar Velayati, an opponent of the eastward expansion of NATO and no less convinced than Primakov himself. Following the collapse of the Warsaw Treaty, only the NATO bloc disrupts the balance of forces in the world. Its expansion will only create tension in the international situation, whatever supporters of such an option may say.

The Iranian minister is of the opinion that Moscow and Tehran will soon be able to achieve a good level of cooperation in all difficult regions of the world, from Bosnia to the Persian Gulf, and he links high hopes with this. Vitaliy Trubetskoy, Valeriy Shebanov, NTV Television company. [end recording]

Russia: Velayati: Iran-Russia Relations at 'Highest Level'

LD0703201296 Tehran IRNA in English 1932 GMT 7 Mar 96

[FBIS Transcribed Text] Moscow, March 7, IRNA — Foreign Minister of the Russian Federation, Yevgeniy Primakov, in a joint press conference with his Iranian counterpart 'Ali Akbar Velayati at the end of their second round of talks here today, stressed on expansion of all-out relations with the Islamic Republic of Iran as a "friendly neighbour."

Primakov, elaborating on the viewpoints of the two countries on mutual relations and international developments, said that in his meeting with Velayati, emphasis was laid on countering international terrorism and voicing resolute oposition to factors responsbile for terrorism.

He called Iran-Russia joint cooperation in settling regional disputes as "important" and said the two sides are unanimous on the necessity of extending ceasefire and continuing the peace talks in Tajikistan. Tehran, he added, would use its influence in encouraging Tajik opposition forces to end the clashes.

Velayati for his part summed up Iran-Russia relations as being at their highest level in contemporary history, and said "this trend will continue by promoting cooperation and coordination in the affairs of Central Asia, Caucasia, the Balkans and the Persian Gulf." He said Iran and Russia would draft long-term cooperation plans for the Caspian Sea given the suitable atmosphere of cooperation in the Caspian region, and noted that Russian president has stressed the need for expansion of full-scale relations with Tehran as a guarantee for regional peace and security.

Primakov welcomed Iran's plan for setting up a cooperation council of Caspian Sea states, and said Russian Foreign Ministry officials are studying the legal and economic grounds of the plan. He added that in line with the plan, Russia will hold talks with the republics of Azerbaijan, Kazakhstan and Turkmenistan, which also border the Caspian.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Velayati, addressing reporters, commented on Iran-Russia cooperation in settling the Tajikistan crisis, and said the two countries share optimism on getting effective results in settling regional crises and establishing peace. He described NATO's attempts to push towards the east as "unjustified and disturbing for international peace and security", and warned that with the expansion of militarism in the world there will be no guarantee for peace and security.

Refuting the recent U.S. allegations against the Islamic Republic of Iran, Velayati said Iran has repeatedly and resolutely announced that it is not involved in the current incidents in occupied Palestine. He pointed out that minutes after such incidents, the west accused Iran of involvement in them without offering any document or evidence. The Iranian foreign minister stressed that such an attitude indicates their frustration in dealing with domestic problems. Velayati arrived in the Russian capital on Wednesday on the 9th leg of his visit of several Soviet states, having visited Uzbekistan, Tajikistan, Kyrgyzstan, Kazakhstan, Georgia, Azerbaijan, Ukraine and Armenia.

Russia: Moscow on U.S. Concern Over Iran-Bosnia Relations

NC0803095896 Moscow Voice of Russia World Service in Persian 1600 GMT 7 Mar 96

[Unattributed commentary]

[FBIS Translated Text] The conflict in Bosnia—that is, the republic of former Yugoslavia—has become a true headache for the entire world. Meanwhile, the approach by the big countries and international organizations to the conflicting sides has never been equal. The Western countries, and the Islamic countries, have accused the Bosnian Serbs of not wanting to work toward peace. However, the Dayton accords were eventually signed, and now, the primary issue is the implementation of these accords. A multinational force [words indistinct] is involved in the implementation of these accords. However, now some believe that the threat of (?violating) the peace process in Bosnia continues to exist. Namely, America—which supported the Bosnian Muslims most during the war—believes that [words indistinct] can jeopardize Bosnian peace. Washington is referring to relations between Bosnian Muslim officials and Iran.

The U.S. Department of State spokesman has said that contacts between Sarajevo and Tehran are a source of concern for the Clinton Administration. Therefore, American officials have clearly implied to the Bosnian Government that they are dissatisfied with the continuation of these relations. The American diplomat referred to the recent visit by the Bosnian prime minister to Iran as an example. According to him, the Government of Bosnia-Herzegovina, which signed the Dayton accords, has clearly expressed its commitment to the joint efforts by America and the West for conforming with the European [word indistinct] system.

According to the spokesman of the U.S. Department of State, Bosnia has been clearly made to understand that its relations with Iran are a source of concern for America and that America believes that these relations [word indistinct]. Washington has a [word indistinct] toward Sarajevo's officials. The Americans are worried about the possible threat by the guerrillas of (?Islamic countries) against U.S. and other NATO military units that constitute the multinational force. As you know, throughout the four years of the Bosnian conflict, guerrillas from the Islamic countries supported the Muslim government in Bosnia. America is now trying to force the Sarajevo officials to expel foreign guerrillas. Observers believe the fact that many Iranian mojahedin are among the foreign guerrillas is especially a source of concern for Washington.

Russia: Foreign Ministry: Sarajevo Situation Undermines Confidence

LD0703174596 Moscow INTERFAX in English 1639 GMT 7 Mar 96

[FBIS Transcribed Text] MOSCOW, Mar 7 (Interfax) — Russian Deputy Foreign Minister Nikolay Afanasyevskiy expressed the hope that the decisions taken in Brussels the other day by the committee in charge of implementation of the Dayton accords will put an end to the exodus of Serbs from the Bosnian capital Sarajevo. He told Interfax Thursday that stopping the exodus seems to be an uphill struggle.

Afanasyevskiy, who represented Russia in Brussels, said that Russia's conscience is clear on this issue. "Everywhere, in Dayton and in Paris, Russia warned of the possible consequences of allowing just one faction take over Sarajevo. It is not our fault that the parties in the conflict made this decision, which may result in transforming the Bosnian capital into a monoethnic city," he explained.

The bleakest and most dramatic aspect of the situation is that the confidence of the parties, especially of the Bosnian Serbs, has been undermined, Afanasyevskiy said.

Guarantees of safety to those who will return or compensation for the houses and other property left by the Serbs in Sarajevo could alleviate the situation to an extent, he believes.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Afanasyevskiy did not rule out the possibility that these and related issues will be discussed by the foreign ministers of the contact group (Russia, the United States, Britain, France and Germany) in Moscow on March 23. The situation must crystallize by that time because March 19 is the deadline for the borders of the Muslim-Croat Federation and the Republika Srpska to take shape.

Russia: Foreign Ministry Statement on Estonian Nationalists

LD0703184696 Moscow ITAR-TASS World Service in Russian 1653 GMT 7 Mar 96

[By ITAR-TASS diplomatic correspondent Tatyana Selivanova]

[FBIS Translated Text] Moscow, 7 Mar — It was with a sense of indignation and extreme bewilderment that the Russian Foreign Ministry received a report from Tallinn saying that 63 out of 101 deputies of the Estonian Riigikogu sent a message of condolences to Dzhokhar Dudayev over the "tragic" death of Salman Raduyev, says a statement by the Russian Foreign Ministry spokesman that was received by ITAR-TASS today.

The document, in particular says that "this gross act and the miserable attempts to represent a terrorist guilty of shedding the blood of dozens of innocent victims and a bandit against whom a criminal case has been instituted cannot be described as anything but blasphemy."

Furthermore, the statement by the Russian Foreign Ministry says that "in the light of this unprecedentedly cynical act, once more the true wish of the Estonian nationalists, who yet again have not failed to show their Russophobia, has once again been confirmed.

"All the signs are that Tallinn has deliberately chosen to support terrorism. Responsibility for its encouragement rests with the Estonian authorities", the Russian Foreign Ministry statement notes.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Political Issues

Russia: Yeltsin Congratulates Women on 8 Mar Holiday

LD0803082296 Moscow Russian Public Television First Channel Network in Russian 0600 GMT 8 Mar 96

[Address by Russian President Boris Yeltsin on the occasion of Women's Day; place and date not given — recorded; from the "Novosti" newscast]

[FBIS Translated Text] Dear women of Russia, today is a holiday for you and the whole of Russia — Women's Day, 8 March. Nowhere in the world is it as popular as it is in our country. It is celebrated in every Russian family. Women are especially beautiful on this day. Everything around them blossoms under their happy smiles and glows in the light of their beautiful faces. The 8 March holiday is the main sign of the forthcoming spring. The frosts are retreating. The snow is beginning to thaw and the sun is shining, just like in the springtime. And our hearts too are warming. The coldness of our past misunderstandings and disagreements is thawing up. And we men want to say to our women kind words of love.

I am sure, dear women, that today you have already heard and are to hear these words from relatives and friends, from known and unknown people alike. Please, also accept my warmest and heartfelt congratulations on the holiday.

Femininity is a symbol of love, kindness, and peace. Since time immemorial, woman has been a custodian of the hearth and family traditions. She has always been and will remain a source of inspiration for men. A woman supports us in difficult moments, she sends us out to do honorable deeds and unprecedented feats. It is not for nothing that Russia, our Motherland, is personified for us as a woman, a gentle and demanding mother.

The best minds of our homeland and its ardent patriots spared no effort in making Russia flourish and in glorifying it. Among the great names in Russian history, and not just Russian history, there are beautiful names of our female compatriots — Princess Olga, who was at the cradle of Christianity in Russia, and Catherine the Great, who strengthened Russia as a power and saw Russia's future in enlightened authority. [There is also] Princess Yekaterina Dashkova, the president of the Russian Academy of Sciences, who made an enormous contribution to the development of Russian science and culture. The fame and grandeur of Russia were increased by the scientist and mathematician Sofya Kovalevskaya, the ballerina Anna Pavlova, the poets Marina Tsvetayeva and Anna Akhmatova, and many other fine Russian women.

And can the selflessness and heroism of the many, many wives, mothers, and daughters, who shared the adversities and suffering that was the lot of the true sons of our fatherland, be valued too highly?

The history of Russia, including that of recent times, has known many such examples. To be frank, dear men, we are far from always attentive to our women. Amid the bustle of life, at times we forget to say the warm and tender word. We fail to notice the appearance on beloved faces of lines of anxiety for us, for our children, for our home, for our family. On this day you can hear our sincere sorry to all the women who are beside us.

You know that there is infinite tenderness and gratitude toward you in the depths of our hearts, and may our children and grandchildren second us in this — may they always remember the care and tenderness of the dearest hands in the world.

Dear women, today is your day. The poet Valeriy Bryusov used beautiful words when he wrote of woman: You are the image of divinity. You we have served and to you we have prayed time out of mind.

The service of women, the service of Russia — that is the true meaning of our life.

May good health and happiness be yours. May your families know peace and harmony, comfort and plenty. Compliments of the day, dear women of Russia.

Russia: Yeltsin Calls For Meeting of Caucasus Leaders

LD0803104696 Moscow Radio Rossii Network in Russian 1000 GMT 8 Mar 96

[FBIS Translated Text] Boris Yeltsin has issued an instruction to prepare a meeting of leaders of the Caucasian region in order to work out ways to resolve regional problems, primarily the Chechen crisis. The meeting will take place in Vladikavkaz in May, and Boris Yeltsin will take part in it.

This was announced in an interview to a RIA-NOVOSTI correspondent by North Ossetia President Akhsarbek Galazov. The forum is expected to be attended by the heads of states and representatives of national groups of Azerbaijan, Armenia, and Georgia, as well as by the leaders of republics, territories, and regions of the northern Caucasus.

Galazov believes that the resolution of the very acute problems of Chechnya, Abkhazia, Nagorno-Karabakh, and South Ossetia should not be sought separately from

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

each other but as a whole, by working out a common approach. Only by restoring a single political, economic, and cultural expanse in the Caucasus can one count on peace, accord, and prosperity in this region, the North Ossetia president stressed. By common efforts one can effectively resolve the problem of refugees, the disarmament of illegal armed formations, and other questions which are destabilizing the situation in the Caucasus, Galazov said.

Russia: Yeltsin Issues Decree on Fighting Terrorism

LD0703153796 Moscow INTERFAX in English 1413 GMT 7 Mar 96

[FBIS Transcribed Text] MOSCOW, March 7 (Interfax) — Russian President Boris Yeltsin on Thursday issued a decree on measures to fight terrorism, including the creation of an antiterrorism coordinating body.

It instructs several ministries and other authorities to draft amendments to antiterrorism laws within the next two months.

It gives the Foreign Intelligence Service the task of uncovering the international links of "illegal armed formations" operating in Russia and cutting off their channels for obtaining funds and weapons from abroad.

The document orders a comprehensive inspection of factories manufacturing weapons, ammunition and explosives and of facilities for their storage.

The decree demands that the mass media, in covering terrorist acts, observe Russian law and international legal bans on the justification of terrorism and violence and on the publication of information that may entail a threat to the lives of civilians, military and law enforcement personnel.

The decree recommends that the Prosecutor General's Office tighten its supervision over the observance of Russian legislation in the media coverage of terrorist acts.

It orders the Federal Security Service to create within this year a nationwide database on terrorist acts and their perpetrators and makes provision for fitting the Federal Security Service and Interior Ministry with state of the art weapons and equipment for antiterrorism operations.

It also orders the training and retraining of mine clearers and psychologists for negotiating with terrorists.

Russia: Medvedev Explains Yeltsin Decree on Terrorism

LD0703230496 Moscow ITAR-TASS World Service in Russian 1435 GMT 7 Mar 96

[By ITAR-TASS correspondent Andrey Shtorkh]

[FBIS Translated Text] Moscow, 7 Mar (Itar-Tass) — The decree "On Measures to Strengthen the Fight against Terrorism," signed today by President Yeltsin, represents an entire presidential program to step up the struggle against this social evil, the head of state's press secretary, Sergey Medvedev, told ITAR-TASS today. In his opinion, the decree's principal aim is to achieve real results in the fight against crime and in particular against terrorism.

The president, he continued, considers that the efforts of the federal authorities, law-enforcement bodies, ministries, government departments,and public organizations to tackle the spread of terrorism are clearly insufficient to effectively counter the phenomenon. In the decree, Boris Yeltsin has given the Directorate of State Law, Ministry of Justice, Federal Security Service, Procuracy-General,and other bodies two months to draw up a draft federal law to regulate antiterrorist work, which is to be submitted to the State Duma.

Because this law has yet to be drafted, yet entails amendments and additions to the Russian Criminal Code and Criminal and Procedural Code, and also because of the extraordinary nature of the terrorism problem, the president decided to issue a decree that would operate until the law came into force, Sergey Medvedev said.

As the most important provisions of the decree, the press secretary highlighted the fact that the president has instructed the government to add antiterrorism clauses to the draft federal anticrime program for 1996-1997. Terrorism is now acquiring a global scale. Suffice it to recall the events in Kizlyar and the new outbreak of terror in Israel. The government has been asked to define a procedure for joint action by federal and other executive authorities, including those of members of the federation, in the event of a threat of terrorist acts.

Russia: Chernomyrdin Specifies Funds To Combat Crime

LD0703210696 Moscow Radio Rossii Network in Russian 1700 GMT 7 Mar 96

[FBIS Translated Text] A Russian Government meeting was held today. It discussed measures to reduce nonpayments, including pay arrears, and also a federal program to step up the fight against crime. Here is a telephoned report from Government House by our special correspondent Regina Lukashina.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Lukashina] According to Ivan Materov, first deputy economics minister, the high point for wage arrears occurred on 20 February. Now, according to the Central Statistics Directorate, the wage arrears have been substantially reduced, and Finance Minister Vladimir Panskov says that they will be totally cleared before the end of March. The government meeting noted that the money for the payment of the wages of those funded through the budget has now started to flow smoothly from the federal budget. The main task now for the financial auditing bodies is to see that all the allocated funds reach their end consumer.

In [Russian Prime Minister] Viktor Chernomyrdin's view it is now essential to prevent the payment arrears problem recurring by ensuring that enterprise management's learn to operate in the market and that notoriously weak enterprises do not encumber the economy by producing unwanted goods and uncompetitive products.

During consideration of the program on stepping up the fight against crime, Chernomyrdin said that this problem is very nearly the most burning issue socially. In 1997 a total of 42,000 trillion rubles, including nonbudgetary funds and budgetary allocations by federal component entities, is to be allocated for Interior Ministry requirements, while in 1996 1.9 billion rubles will be received directly from the federal budget. Interior Minister Anatoliy Kulikov said that in this respect total mutual understanding had been reached with the Russian Finance Ministry.

Regina Lukashina, Radio Russia's news service, from Government House.

Russia: 'Sources' Say Grachev May Replace Lobov

MK0703150996 Moscow OBSHCHAYA GAZETA in Russian
No. 9, 7-13 Mar 96 (signed to press 6 Mar 1996) p 7

[Report by Aleksey Overchuk: "Grachev Can End Up as Scapegoat"]

[FBIS Translated Text] While the public speculates on plans for settling the Chechen crisis, the president is regrouping his forces. First signs of that are the sickness of Security Council Secretary Oleg Lobov and Grachev's unexpected visit to Chechnya.

This week, Grachev is to brief the Security Council on the situation and present his considerations on ways of pacifying the Chechens. It is quite possible, sources in the military department say, that on the same day the defense minister will be dismissed from his position and appointed to Lobov's place. This option cannot be ruled out.

To all appearances, the president has decided to shift the whole burden of the war on his loyal minister. This is the core of the president's plan to extinguish the conflict. Grachev has sworn his loyalty with such feeling. He made bold jokes, criticized the mistakes of his colleagues from the power departments, and pretended that he had not in any way soiled his uniform and in effect had nothing to do with the whole thing.

It would be correct to say that Chechnya's fate fully depends on the defense minister. Today he is the only man in charge. And therefore it is he who has to give an account.

Grachev will tell the Security Council which plan — the one by the government or the one by the Presidential Council — is acceptable, and then will present his own — a final one — for which he will answer directly to Boris Yeltsin.

Sources in the Kremlin say that Grachev has already received extremely broad powers from the president. He can hold negotiations with anybody and in any way — as long as he pacifies the rebellious republic — at least until election day.

How the pacification proceeds can be seen from field reports. After Anatoliy Kvashnin, North Caucasian Military District commander, visited the Kremlin (about a month ago), the intensity of combat action in Chechnya has doubled. Why should he be so zealous? Military sources say that he has been offered the position of General Staff chief and that Grachev himself has recommended him. Only first he has to pacify Dudayev. As the president said, "burn the hornets' nests of banditry."

A heartened Kvashnin identified the centers of Dudayev resistance (Novogroznenskiy, Sernovodsk, and Bamut) and began assault operations with gusto. He had to bring the Dudayevites down on their knees before the minister's arrival.

It seems that Grachev came too early. The bandit groups have not been routed yet. And Grachev cannot yet order, sitting at the table: "Bring Citizen Dudayev in here!"

Federal troops are, meanwhile, working really hard to make it before presidential elections. Moreover, the snow is melting. The gunmen will go into the mountains, and there will be no way they can be found then. According to General Staff estimates, they have (even discounting outside supplies) enough weapons to fight for another 10 years. That is, for two presidential terms.

By making Grachev a scapegoat, Yeltsin will act wisely. Grachev is no Chubays. He can be used twice. First, in appointing him to the position of Security Council

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

secretary and the president's deputy in Chechnya. If Grachev again makes a mess of it, the president will dismiss him, not forgetting to stigmatize him with the disgrace of the Chechen expedition. After all, somebody must be held responsible for 42,000 killed civilians, about 4,000 of whom are federal troops.

Then Grachev will be presented with a long bill to foot: plans for a 10-day war, "completing the whole operation with a single regiment within two hours," and an early capture of Dudayev. Everything will be brought against him. Korzhakov, who has long borne a grudge against Grachev, will certainly do his best. Meanwhile the president will for a second time enter the Kremlin on a white tank — that is, on a white horse.

Russia: Zyuganov Shares Views on Life, Politics, Rivals

MM0703121296 Moscow TRUD-7 in Russian 7-15 Mar 96 p 5

[Interview with Gennadiy Zyuganov, leader of the Communist Party of the Russian Federation, by Liliya Lagutina "today"; date not further clarified; place not given: "Gennadiy Zyuganov: 'In a Routed Country There Can Be No Victors'"]

[FBIS Translated Text] The other day Gennadiy Zyuganov, leader of the CPRF [Communist Party of the Russian Federation], was officially registered as the first of the possible candidates for the Russian presidency. Today we asked him a number of questions that may interest the reader, especially since the possible coming to power of the Communists is causing some concern among a section of the electorate. And that is understandable: Russia's citizens are no less concerned than certain politicians about the fate of the reforms and democracy in the country. Many of them do not want society to slide back toward the distributive and egalitarian system of the past, in which we spent many a decade.

I Taught My Wife

[Lagutina] Gennadiy Andreyevich, all of us recently witnessed the church wedding of Mr. Zhirinovskiy and his wife, and the people know Naina Yeltsina well and, I believe, think quite well of her personally. You practically never appear in public with your wife, and you try not to attract press attention to your family....

[Zyuganov] Well, why.... It's just that not many people have put such questions to me, and it's true that I haven't deliberately raised these subjects.

Ours is quite a big family. At the moment I have living with me my wife, my daughter and son-in-law, and my mom, who's 81. My son and daughter-in-law and the two children, my grandchildren, have their own apartment. My wife is an engineer at a clock factory. She made a vow not to get involved in politics, and she keeps it strictly.

Not so long ago my wife and I celebrated 29 years of family life.

[Lagutina] Did you give her flowers on the occasion?

[Zyuganov] Yes, of course. She loves white roses and chrysanthemums. I try to buy them when I can.

[Lagutina] Do you consider yourself a gallant man?

[Zyuganov] I couldn't say. The main thing is for a man to remain a man in any situation.

[Lagutina] There are two kinds of men: One does not lift a finger to help his wife around the house, the other, on the contrary, is prepared to carry out any instructions from a woman.... Which category would you put yourself in?

[Zyuganov] I think you are oversimplifying. The majority of men act according to the circumstances. And a lot depends on the woman herself. I myself, for instance, believe that a man should be able to do everything himself: fix a spigot, assemble a closet. In my childhood (I lived in a village in Orel Oblast) my father and I built beehives, laid stoves, not to mention looking after the orchard, the vegetable garden, and the domestic animals.

I tried to teach my son to do the same. He and I always used to do the Sunday cleanup of the house. Until very recently.

[Lagutina] You don't do it now?

[Zyuganov] I have a special dispensation now, the folks at home understand, because I'm working seven days a week. Plus even at home I'm constantly plagued by the telephone, they start calling me from six o'clock in the morning from the Far East and Siberia, and at 10 in the evening, when I get home, it's friends and acquaintances who didn't manage to talk to me during the day.

[Lagutina] Have you forgotten all about sport now?

[Zyuganov] I start the morning with the dumbbells. I used to play a lot of volleyball. I think team sports are characteristic of Russia in general. This general craze for tennis is just a fashion, I think.

[Lagutina] Can you cook?

[Zyuganov] Yes, and sometimes it turns out very well. Although my specialty is not a difficult dish — roast potatoes. When I was a student and lived in the hostel, half the class used to converge on the kitchen when I

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

was roasting potatoes. It was a standing joke: "potatoes a la Zyuganov," because I have my own recipe.

[Lagutina] Did you get to know your wife at the institute?

[Zyuganov] No. I taught my wife.

[Lagutina] ...? [as published]

[Zyuganov] When I graduated secondary school with a medal, I didn't leave the village for another year because they asked me to give lessons, as there was a shortage of teachers. And my wife was a student in the ninth grade at the time.

[Lagutina] Do you believe in love at first sight? Do you believe in love at all?

[Zyuganov] I'm a superstitious person in that respect... Faith, Hope, and Love will save anyone — irrespective of their convictions. Without Faith a person has no roots, Hope is always the last to go, and Love...makes the world go round. I mean Love in a rather broad sense, not just love for a woman....

[Lagutina] Incidentally, what is your wife's name?

[Zyuganov] Nadezhda [Hope].

"Anyone Who Lives and Works Honestly Need Not Worry"

[Lagutina] You have been nominated as presidential candidate from the left-centrist coalition.... Your candidacy will undoubtedly be supported by a significant section of society. But there are others who directly associate your possible coming to power with a redivision of property. They fear the onset of repressions, egalitarianism, lack of sausages, and, most of all, lack of freedom....

[Zyuganov] First I wish to say that the candidate from our bloc must be a people's candidate, and cannot express narrow party interests.

What matters to everyone is that the children go to school, the old people get medical treatment, and there are guaranteed rights and no egalitarianism. Let me say for the umpteenth time and with full responsibility: Anyone who lives and works honestly need not worry: We will support everyone who wants to work, without any redivisions. There will be no persecution on political grounds.

[Lagutina] Can you give a brief characterization of your political rivals: Yavlinskiy, Lebed, Zhirinovskiy?

[Zyuganov] Yavlinskiy is getting very nervous now. In view of the alliance between the party of power and Zhirinovskiy, "Yabloko" cannot find a stable position; Zhirinovskiy has given himself away completely with the alliance with "[Russia Is] Our Home." Everyone has now realized that the country's chief "Liberal Democrat" was "made" for this. Just remember all Zhirinovskiy's voting record — 100-percent support for the president's wishes.

As for General Lebed, he is an experienced military man, but politics is a major science and mastering it takes time. I am in favor of Aleksandr Ivanovich being with us.

In recent times the veil of importance of power, its significance, has been torn and a dreadful picture has been revealed. When Chubays can sell off property that does not belong to him and Shakhray can sign documents after which a war begins, people come to me and say: If they can be vice premiers, we need make no bones about claiming the post of president. Stanislav Govorukhin was once asked: Who can be president of Russia? He went up to the window and said: "Look, there's a guy walking past, he's upstanding, sober, elect him — it won't make things any worse." I don't think it will come to elections like that, all the same.

[Lagutina] Do you see Boris Yeltsin as your main rival?

[Zyuganov] Without being unkind, he should have retired quietly. So as not to torment himself and not to torment the country. There will be two rival forces — the party of power and the responsible opposition. There is no unity in the party of power: You have the Chernomyrdin group, the Luzhkov group, the Yeltsin group, and the open rivalry between them is fairly heated. But on the other hand, there are many sober, intelligent people in the party of power who understand that you cannot go on like that....

[Lagutina] Presumably you do not count Anatoliy Chubays among them. What do you think about his accusations against you.... Namely, that Zyuganov says one thing abroad and another in his own country? What are you anyway — a communist or a social democrat?

[Zyuganov] Even my severest opponents said about this: "If Chubays is criticizing Zyuganov, Zyuganov must be doing something right." Look, when Chubays was in Davos, he was not invited to a single discussion. And as soon as I left, he immediately started making a fuss, to draw attention to himself. Two months ago he was trying to persuade the Duma to adopt the budget: The year has only just begun, and what do we see? The doctors are not getting paid, not a kopek for the teachers, the police are going hungry.... Instead of answering for this, Chubays adopts the pose of guardian of political morality. Let him first of all tell everyone what he did

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

with the two "Volgas" that he promised to every voucher holder.

Now, about social democracy and communism.

In translation, the word communism means relating to the community [obshchestvennyy]. If you take the precepts of Jesus Christ and the moral code of the founders of communism, you will find they have many things in common. The party's name should not frighten anyone, and only the party members can decide to change it.

Our party differs in many ways from the CPSU: We recognize a mixed economy, pluralism of opinion, freedom of religion. Social democracy also takes very different forms. The Polish model differs from the Swedish, the Swedish from the German. The essence of a party's policy and actions is determined by the unique character of the country and its history and culture. For us, for instance, in the North Caucasus the Swedish version of social democracy is impossible: There is a different way of life, a different religion and relationships. A serious Russian politician has to take full account of all this. People ask me: "Are you like Polish president Kwasniewski?" I find him very sympathetic, he looks to the future.... But...Russia is not Poland, where the people are mainly Catholics and there are no nuclear weapons.

I can say one thing: We will make maximum use of everything useful that exists in world political and economic practice, but we must draw on our own Russian traditions.

[Lagutina] There is a very grave economic situation in the country right now. How do you propose to fulfill your election promises?

[Zyuganov] The secret is simple. Provide incentives for everyone who is engaged in productive work and works honestly. Our country is very rich, and in a rich country people should live in prosperity. It is not a case of the West helping us now, our "well-wishers" are taking everything they can out of Russia. We have our own economic program where everything is clearly set forth.

[Lagutina] They say you have already distributed the posts in the future government. Who will be responsible for the file of economic questions?

[Zyuganov] It is too soon to make decisions about personalities.

[Lagutina] Are you certain that the presidential elections will be held on time?

[Zyuganov] There is no such certainty.... Various scenarios could be employed here — from the imposition of a state of emergency to the creation of a confederation with Belarus.

[Lagutina] What will you do?

[Zyuganov] I am convinced that a state of emergency will not work. If the elections are postponed, the authorities will only exacerbate their own situation, generating chaos and anarchy.

[Lagutina] Do you have your own solution to the Chechen problem?

[Zyuganov] Effective coordination of action by all branches of power is needed. Taking into account the role of tradition in the Caucasus, a congress of peoples of the Caucasus should be held in Chechnya. I am confident that the congress would adopt a decision on a cessation of hostilities. The influx of weapons and more mercenaries into Chechnya must be stopped as much as possible. A large quantity of the funds intended for the republic's restoration is being stolen, so it is necessary to act more efficiently in this regard.

The Dudayevites must be given terms — either you surrender your arms within 30 days and get an amnesty, or you are setting yourselves up against all the peoples of the Caucasus and the law of the mountains.

All the troops should not be withdrawn yet. But it can be done in part, in those regions where there are authorities and all is calm. Where the violence continues, it must not be done, otherwise this enclave will turn into another Afghanistan, this time on Russian territory.

[Lagutina] There is a lot of talk at the moment about the possible falsification of the presidential election results....

[Zyuganov] Russia is a big, unique country and one of its merits is that you can't buy it all. I think it would be very difficult to collect the necessary number of people prepared to do this dirty work. You might add on, let's say, 2-3 percent, but 10 percent is practically impossible. Furthermore, our representatives will be at all the polling places.

We also have our own group of highly qualified mathematicians and analysts. They are now working on how to identify the most vulnerable points from the viewpoint of electronic falsification, and will propose their own options.

If All Was Calm in the Country, I Would Be Happy To Be a Scientist

[Lagutina] Have you pondered this situation: For whatever reason, your political career collapses — what would you do then?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Zyuganov] If I was not a politician I would be a scientist. Not so long ago I defended a doctoral dissertation and became a doctor of philosophy. So I would not be out of work.

[Lagutina] Do you believe in your own predestination, in fate?

[Zyuganov] Yes, in a way. I believe in the predestination of man. And for me that is associated with good and truth, with creation, not destruction. In that sense I am rather a historical optimist.

[Lagutina] Have you often been betrayed in life?

[Zyuganov] I abhor betrayal. I think you can forgive mistakes, errors.... But a feeling of inner disgust is provoked by someone who has lived peacefully, said good things about the country, about the people.... I ask myself: If he has been lying all his life, what were his feelings when he went home, when he was with his nearest and dearest? It is hard to believe that at the age of 60 you can sincerely have a change of heart and trample fiercely on your entire past.

[Lagutina] Do you feel a sense of isolation? The friendliness of certain people who, as you say, have now started greeting you from across the street, is only a tribute to opportunism....

[Zyuganov] I understand all that very well. But I have many real friends, right back from student days. Nikolay Rozhkov, Vladimir Selyutin, Gennadiy Studennikov — I studied with them, served in the Army with them. Isolation? So what? Sometimes it can be useful....

[Lagutina] Have you never had the desire to go into business, buy yourself a villa in the Canaries, and spend the rest of your days without headaches? After all, you only live once....

[Zyuganov] To be honest, I could have gotten rich long ago — I had the connections and the opportunities. But...I have seen the eyes of many well-off people in important positions, and I have not seen happiness in them. I know a lot of people nowadays are finding out whether there are regular planes out of Sheremetyevo and reserving a ticket every month just in case. I have met people who have amassed substantial property and live in France, Switzerland, America. In their eyes I see regret. They want to be getting on with the job back home, they feel like second-class citizens.

I have a simple philosophy: You can wear just enough clothes to look good, you can eat and drink just as much as the organism can digest, and the rest is superfluous. To be frank, there was a time when I too wanted to buy things — there are so many fine things around.... I got over it, and I am indifferent to all the attributes of the "high life."

[Lagutina] Gennadiy Andreyevich, are you confident of victory in the presidential elections?

[Zyuganov] I am categorically opposed to dividing people into Reds and Whites. In the Great Patriotic War the Reds and Whites were reconciled, and they came out of it a unified people. And victory? In a routed country there can be no victors. We can save the country only by uniting.

Russia: APR Leader Criticizes Yeltsin's Land Ownership Decree

LD0703190596 Moscow INTERFAX in English 1639 GMT 7 Mar 96

[FBIS Transcribed Text] MOSCOW, Mar 7 (Interfax) — The presidential decree on guarantees of the constitutional rights to own land, signed by Russian President Boris Yeltsin on March 7, opens the way to criminal redistribution of land, leader of the Agrarian Party [of Russia — APR] Mikhail Lapshin told Interfax Thursday.

The decree, he said, turns nearly 12 million land lots of impoverished Russian peasants into a market commodity.

Lapshin recalled that Yeltsin had reassured State Duma Chairman Gennadiy Seleznev on March 5 that he would not sign any decrees on land ownership any time soon because the Duma intended to hold a second reading of the Land Code.

"The president went back on his word, showing once again that his word is worth nothing," Lapshin believes.

The president will not hold his promise to establish peace in Chechnya either, he thinks.

"The light-minded, criminally cold-hearted attitude towards most complicated issues in land ownership" shown by Yeltsin will enable the new rich, rather than the farmers, to buy land for speculations.

Lapshin does not think that the president will cash in on his decree politically, because only a negligible percentage of Russians advocate free purchases and sales of land.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Military & Nuclear Issues

Russia: Grachev's Failure in Chechnya May Cost Post

MK0703132996 Moscow KOMMERSANT-DAILY in Russian 7 Mar 96 p 3

[Report by Ilya Bulavinov and Aleksandra Yemtseva under the "Pavel Grachev in Krasnoyarsk" rubric: "It Might End in a 'Personnel Purge'"]

[FBIS Translated Text] Yesterday's news conference in Krasnodar marked the end of Pavel Grachev's week-long tour of units of the Moscow and North Caucasus Military Districts. But while the minister was familiarizing himself with the day-to-day life of his subordinates, he himself was not forgotten in Chechnya and Moscow.

Pavel Grachev's arrival in Krasnodar from Chechnya was shrouded in mystery. A landing at a military airfield, brief talks with the Kuban leadership, and a speedy departure by helicopter to visit "a number of defense industry facilities." By some accounts, the minister toured several moribund sanitariums and rest houses on the Black Sea coast so as to mull over the possibility of converting them to military uses; by others, he had a little rest after a week-long voyage at the specialized hunting establishment of Krasnyy Les in Kuban's Krasnoarmeyskiy Rayon. Commanders of regular and combined military units waited for their minister as long as four hours, time and again checking the latest information — has he arrived, is he coming, is he planning to have lunch?

When Grachev finally reached the House of Officers, the first thing he did was to invite journalists to a "basically closed-door meeting," at which he recounted his impressions from what he saw in Chechnya. The minister now sees "many things in a different light" — particularly after his meetings with the civilians there, who, "by the way, are much more clever than we are." So the next time he will make his proposals on Chechnya to the Security Council he is going to place emphasis on a peaceful settlement and an internal Chechen dialogue. Yet, the elimination of bandit formations should continue, Grachev said. In so doing the armed forces will "seal off an area," while the mission of eliminating the bands he plans to assign to special-purpose units. The destruction of the rebels' points of deployment will continue — "there are no civilians in the places from which they shoot."

It seems that not all people in Moscow share Grachev's viewpoint. At yesterday's meeting with chief editors of the Russian media, Oleg Soskovets said that "the heaviest burden that makes it impossible to step up the president's electoral activity with complete assuredness is the Chechen crisis." He added that Boris Yeltsin had been advised increasingly often to name those who are actually responsible for the "disastrous organization of the operation in Chechnya," including the latest "purge" in Sernovodsk. ITAR-TASS reported that "it was clear from the context of our conversation that the head of state had been insistently advised to fire Defense Minister Pavel Grachev."

Soskovets' stance does not come as a surprise — his relations with Grachev have long been strained, to say the least. Meanwhile, unflattering assessments of Grachev have already been heard from the Kremlin — it was Aleksandr Korzhakov who said that in his television interview for ORT [Russian Public Television] in mid-December. Yet the situation has now changed drastically: It is clear to everyone that the steps taken by Yeltsin so far are still not enough to score a victory in June, and a number of other "spectacular" and popular measures will be required from him in the near future. Apparently it is suggested that Grachev's dismissal, coupled with laying the blame for Chechnya at his door, might be the president's strong move. Grachev's position has been further compounded by the fact that he has lost nearly all his influential political allies, while his ill-wishers, judging from Soskovets' remark, have thought the iron to be hot enough to forge Grachev's dismissal out of it.

Russia: Kola Peninsula: 'No Changes' in Radiation Background

LD0803123796 Moscow ITAR-TASS in English 1228 GMT 8 Mar 96

[By Vasiliy Belousov]

[FBIS Transcribed Text] MURMANSK, March 8 (Itar-Tass) — No changes have been registered in the natural radiation background on the Kola Peninsula over the past two months, in the direction of which north-eastern winds have been blowing from the Novaya Zemlya Archipelago, Itar-Tass learnt at the weather service of Murmansk city on Friday.

Itar-Tass made this inquiry in connection with a report in the U.S newspaper Washington Times that a nuclear test was allegedly made on Novaya Zemlya in mid-January.

Itar-Tass reported from Washington that U.S. State Department spokesman Nicholas Burns refuted the Washington Times report on Thursday, telling reporters at a meeting that the United States believes that the moratorium on nuclear tests announced by Russia in 1992 is observed.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The U.S hopes for success at the April summit in Moscow on nuclear security, which will be attended by U.S. President Bill Clinton, the spokesman noted.

The State Department also hopes for Russia's support in preparations for signing a treaty on general and complete prohibition of nuclear tests at the session of the U.N. General Assembly next autumn, Burns stressed. The U.S continues to cooperate with Russia very successfully in this sphere, he added.

True, U.S Defence Secretary William Perry who spoke at congress hearings on the same day, preferred to be more cautious in his appraisals.

The Defence Department has some evidence, but this evidence is not very definite, he said concerning the Washington Times report.

The daily quotes opinions of two unidentified representatives from the Clinton administration on data of U.S. spy satellites and seismic stations, monitoring the area of Novaya Zemlya.

The first described them as giving no grounds for making final conclusion. The second expressed conviction that that was undoubtedly a low-yield nuclear explosion.

Regional Affairs

Russia: Bryansk Duma Deputies Criticized on Spending

MM0803120796 Moscow ROSSIYSKIYE VESTI in Russian 6 Mar 96 p 3

[ROSSIYSKIYE VESTI own correspondent Vasiliy Shpachkov "commentary": "Living Is Easy at the Free Feeding Trough"]

[FBIS Translated Text] Deputies of Bryansk Oblast Duma in which the majority are Communists, agrarians, and their sympathizers, display touching concern for themselves.

Functionaries of the former communist power used to know how to take advantage of their official position. Today's deputies who have settled in nicely in the building of the former CPSU Obkom [oblast committee] have, it seems, inherited from the former occupants not just their luxurious offices. The oblast's voters have just gained possession of a curious document which gives an idea of just what the "people's elected representatives" have actually been spending the people's money on. To start with, just a few general figures from the auditors' report on the execution of the estimated expenditure of the Oblast Duma for the period that it has been operating.

It emerges that last year 26 deputies had 47(!) staff working for them. This number of principals and chief specialists considerably exceeds the norm. Moreover, for some reason it was found necessary to add to the table of organization an additional post of chief specialist without the relevant directive, while for a third of the posts for which a higher education is an indispensable requirement, workers lacking that level of education were appointed. Just think to whom the Bryansk Oblast voters have entrusted the drafting of laws! However, the Pink Bryansk [Oblast] Duma is not greatly renowned for any special love for this, its basic activity, having adopted over a period of one and a half years just...six laws, one of which was repealed by the court. At the same time last year alone the upkeep of the duma apparatus cost the trustful electors and taxpayers 1.344 billion rubles [R]. If you recall how hard it was to find the additional money to pacify the desperate pickets who held up a passenger train in Bryansk Oblast last year, the significance of this sum will become apparent.

You read the auditors' report and you may well tear your hair. Without batting an eyelid, the "people's elect" were overpaying themselves, they would, without any accounts being presented, make payments to favored newspapers, and acquired equipment and furniture for their offices at well over the estimated sum. And as for transportation, that, as the saying goes, beats everything. It is common knowledge that the former party nomenklatura used to treat official cars as their own personal vehicles, and the Red deputies in the Duma have proved to be just as good at doing that. So, without a twinge of conscience Valeriy Rogochev, former chairman of the Oblast Duma would use official transportation when on leave and also at weekends and on public holidays. The auditors' report states dryly that the "cost of the vehicle pool's services on these journeys amounted to R25,865,304...." Lower-level elected representatives also used transportation for personal purposes.

The Oblast Duma even paid for a trip to Moscow by Valentina Demina to attend the congress of agrarians to which the deputy chairman traveled, of course, in an official vehicle; the "running costs alone for the car on this trip were R653,840." And a little later Valentina Sergeyevna [Demina] was in the capital attending the Second All-Russia Rural Assembly as a delegate from the oblast's Kolkhoz Council. The unauthorized [netselevyye] expenditure on this trip amounted to R1,119,160. And for a meeting in honor of International Women's Day 8 March two Duma functionaries set of to Moscow, each in a separate vehicle. They thereby punished their voters further with the unjustified expenditure of nearly R800,000.

In their indefatigable concern for their beloved selves, the "people's elected representatives" were not averse

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

to raising the percentage for the award of bonuses, the ventured to make unjustified payments of material assistance, and so forth. For example, by a directive of the Oblast Duma last year the current chairman of this legislative organ of power and his deputy were each paid material assistance upping their pay from twice to three times the basic rate for their posts.

Russia: Yaroslavl Oblast Governor on 1996 Tasks

MM0703165196 Moscow ROSSIYSKIYE VESTI in Russian 6 Mar 96 p 3

[Interview with Anatoliy Lisitsyn, governor of Yaroslavl Oblast, by ROSSIYSKIYE VESTI own correspondent Vladimir Semenov under the rubric "Power at Local Level"; date, place unspecified: "Yaroslavl Has its Own Government"]

[FBIS Translated Text] The oblast's first government has embarked on its work in Yaroslavl. It was formed after the 17 December 1995 election of the governor. What is this? A simple change of nameboards, or does the replacement of the administration by a new regional organ of executive power signify the setting of qualitatively new tasks in running the region? Yaroslavl Oblast Governor Anatoliy Lisitsyn tells us about this.

[Lisitsyn] The oblast's government is setting about its work as a full-fledged organ of executive power in the region, formed in accordance with the oblast's charter. Its basic task will be to implement the main thrusts of state socioeconomic policy. We have set ourselves specific goals which must be achieved during 1996 in key spheres of policy relating to the region. We are talking about budget and taxation, industrial, agrarian, and social policy.

Among the most important priorities are the mutual relations between the oblast executive and the organs of local self-government. Last year we took a number of substantive steps in this field. An oblast law on local self-government was adopted, and the elections to local representative organs and of the head of local self-government were conducted. It is an indicative fact that the undivided dominance of communists in the local organs of power is coming to an end. Supporters of reform in the main have now triumphed. Problems of the delimitation of powers and the formation of local budgets are now moving to the forefront.

The oblast's government and organs of local self-government are proceeding from the premise that the independence of local self-government is not unchecked freedom, but freedom of action in conjunction with responsibility to the populace and the organs of power. In the course of a year we have to determine the procedure and conditions for the organs of local self-government to implement their separate state powers, devise for them the normatives for minimal budget provision, and establish the responsibility of the local authorities for using — in accordance with their express purpose — the state funding allocated to them.

This year the oblast's government will find itself between the devil and the deep blue sea. On the one had, their is the high level of taxation of enterprises and their substantial indebtedness vis-a-vis the budget, and on the other hand there is the acute shortage of budget funding. Thus one should not count on a substantial increase in budget receipts. And this means that the basic efforts in the year to come must be focused on improving the efficiency of the utilization of funds.

There are several ways to achieve this objective. The first is rigid control over enterprises and institutions which are in receipt of budget money. This will be exercised by independent banks and auditing firms which are empowered by the government.. Estimates of expenditure on programs and measures must be undergo careful checking by financial and economic experts in order to select the most economical options. Orders for the production of goods and services at state expense will be placed only on a competitive basis.

The actual procedure for the formation and execution of the regional budget is currently being devised. It is essential to adopt an oblast law on the budget process in which we shall have to enshrine the requirements as to the structure and content of budgetary documents and the system of planning the budget proceeding from objective indicators of socioeconomic development and the control mechanisms for the utilization of funding. There will be one person in the government who has the right to sanction current expenditures of the oblast government and that will be the chairman of the government. He has the responsibility and he has top carry the can too. The aim of the region's government is to organize work in such a way as to reduce the total level of taxation on the oblast's territory. We must ease the situation of the enterprises and give them the opportunity to develop. Apart from an overall relaxation of the tax burden, a system of differential tax breaks for small business will be devised. Systematic support for investment activity on the oblast's territory, the granting of benefits to investors and guarantees for the reliability of investments will become an important instrument of economic policy.

The activity of enterprises which are natural monopolies will be the subject of the government's particular attention. Monitoring the stable functioning of these enterprises, expert independent appraisal of price formation, and the implementation on the oblast's territory of the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

federal law on natural monopolies are our basic goals for the immediate future.

The conversion of the social infrastructure is a particular headache. Let me say honestly that neither enterprises nor the budget are capable of "boosting" expenditure on the maintenance of facilities in the social sphere. Therefore the government is focusing its efforts on two main areas. The first is freeing enterprises from expenditure on the maintenance of these facilities. As an interim measure we will continue as far as we are able to take these facilities into state or municipal ownership. But at the same time our aim is to give up subsidizing these enterprises from the budget. Calculations show that vary many of them overstate their demands for subsidies. The second area is the introduction of financial and economic mechanisms in order to move the bulk of the expenditure on the upkeep of social facilities onto the budgets of the immediate consumers of their services. Of course, this is not a popular measure. But their is no other way out. And it is realistic provided there is stringent state control over the work of organizations on which the stability of the system of social security depends.

The complex and crucial nature of regional government lies in the fact that the deepening of reform has to be conducted under conditions of preparations for the presidential election. The results of the elections to the State Duma showed that the opposition and especially the intransigent opposition takes cunning and skillful advantage of both our blunders and of the natural difficulties of the transitional period. And above all we are talking about holdups in the payment of wages to workers in the budget sphere. Both we and the center have made a lot of mistakes over this. We learned some grim lessons from this. This very year the region's government will carry out all the necessary measures in order to pay a unified oblast grant to the low-income groups as of next year. There are not only legal, but also organizational and financial problems here. By the end of the year they have to have been solved.

Russia: Dagestan Population Left Without Gas

LD0703201596 Moscow ITAR-TASS in English 1930 GMT 7 Mar 96

[By Gadzhi Shamov]

[FBIS Transcribed Text] MAKHACHKALA, March 7 (Itar-Tass) — The population of Dagestan has been living without heating and gas for two weeks running. As earlier reported, the Mozdok-Kizimagomed gas pipeline was blown up three kilometres from the Dagestan administrative border, on Chechen territory, on February 22. Experts have established that the explosive device was planted at the beginning of the gas pipeline's bridgeway over the Terek River, at the place where it came to the surface. As a result, a hole of about half a metre in diameter was blasted in the pipe and flames burst out of it. They reached a height of 15-20 metres.

Dagestani special-purpose vehicles were rushed to the spot of the explosion. However, they were not allowed into the area. Nevertheless, Dagestani gas workers crossed the border by foot, carrying all the necessary materials, and took part in the repair of the gas pipeline together with colleagues from "Chechgazprom" (Chechen Gas Company). The damage was repaired, but a gas leak from the pipeline appeared again several days later.

The "Dagestangazprom" company reports that Chechen gas workers are again repairing the pipeline together with their Dagestani colleagues. The repair jobs are expected to be completed within the next few days.

Economic Issues

Russia: Panskov on Wage Arrears, Other Budget Issues

MM0603143496 Moscow ROSSIYSKAYA GAZETA in Russian 6 Mar 96 p 3

[Interview with Vladimir Panskov, Russian Federation minister of finance, by Aleksandr Linkov: "Wage Arrears Will Be Cleared in March"]

[FBIS Translated Text] The Ministry of Finance has recently been at the center of public attention. The arguments over the federal budget, over the problems of nonpayments, and over tax collection and the constant delays over the payment of wages concern this department in one way or another. The harsh criticism of the ministry which issued from the lips of the Russian Federation president at the enlarged government session elicited a keen public response. Emphasizing the minister's personal responsibility, the head of state pointed out that the problems of budgetary indebtedness to the regions hinge on the Ministry of Finance. The minister was not able to explain himself at the time.

"What did you want to say in response to the president's criticism?" My conversation with Vladimir Panskov, Russia's minister of finance, began with this question.

[Panskov] If people do not receive their wages for months on end, someone is to blame for this. I do not absolve the Ministry of Finance of the blame for this. The president's criticism was fair. But, for the sake of objectivity, I believe that the blame must be shared with the administration heads of Russia's regions. I shall cite several specific figures. As of 1 January, the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

arrears relating to wages funded out of their budgets totaled over 5 trillion rubles [R]. Our debt to the regions equaled R1.5 trillion. But only 30 percent of this sum was earmarked for wages.

Further. Our arrears arose only in January. But there were delays with wages in the provinces throughout last year. All this time the Ministry of Finance was giving the regions unplanned assistance. Thus, at first R1.4 trillion rubles was allocated from the federal budget, for example, and then the provinces received assistance in hard currency equivalent to R1.2 trillion.

[Linkov] How big are the federal budget's wage arrears as a whole?

[Panskov] As of 1 January, they stood at R8.1 trillion. But this sum must be divided in two. The first part is that which we really did not finance, having a shortfall of R3.7 trillion. These arrears arose during November and December of last year. There is just one reason — wages were increased 54 percent as of 1 September in all budget-funded organizations, including the Army and law enforcement organs. The approved 1995 budget did not make provision for funding such an increase. We had quite a trouble finding the necessary R11 trillion. But we failed to "close" R3.7 trillion.

The other part of the arrears (R4.4 trillion) arose for a different reason — ministries had spent more on the wage raise than the budget provided for. These were primarily the power structures. Back at the end of 1994 the government had adopted a decision according to which their leaders were enabled to introduce increments of 1.25 percent for individual categories of servicemen. This was intended for those serving in hot spots, in remote garrisons, or under other extreme conditions. According to estimates, something in the region of 50,000 people. But in fact the coefficient was given to everyone. We failed to find the new trillions.

But, speaking of the state of affairs today, we have found a possibility of coping with the arrears to budget-funded organizations, including the power structures, before the end of March.

[Linkov] To do what the country's president publicly promised.... Although some experts have been skeptical about his statement on clearing the debts in March. Above all because the budget is being implemented in by no means the best manner. There is no money to spare in the state treasury.

[Panskov] True, there is no money to spare. And there will not be any. We have to economize on something....

[Linkov] But if there is an increase in one place, there is a decrease somewhere else, is there not?

[Panskov] Of course. I do not intend to use cunning. In the first quarter, for example, we are giving no money for investments. Of course there is nothing good about this, but we reckon on making up the losses in the following quarters. Tax collection is the main reserve. If we do not collect taxes properly, nothing will help. The second reserve is the expansion of the state securities market. Here we are reckoning on securing sizable financial resources as early as March by giving nonresidents access to it.

[Linkov] By no means all experts share your optimism about securing revenue on the state securities market....

[Panskov] I do not support such a viewpoint. Of course, if the state securities market operates only in Moscow and at two other peripheral sites, there will be no gain. All of Russia must be involved in this. Mindful of this, we are opening new sites for trading in securities. We are reckoning on attracting nonresidents' funds here in the very near future — in other words, funds of foreign companies and firms — and securing several trillion rubles.

[Linkov] You have not mentioned among the financial reserves the 20-percent increase in the average weighted rate in the import customs tariff, which you mentioned at the aforesaid enlarged government session. This intention greatly alarms a lot of people, to put it mildly.

[Panskov] But what is to be done? There is little hope that the collectibility of taxes will improve in the immediate future. As it is, the whole weight of the tax burden lies on those who pay them promptly.

Second, the federal budget makes provision for revenue which is not backed up by real measures to secure it. This is how this happened: When the draft budget was being submitted to parliament it contained amounts of taxes and customs duties resulting from certain planned measures. It was planned, for example, to eliminate some benefits. Alas, our proposals did not gain support, but the revenue figures themselves remained. Therefore the revenue from internal taxes was overstated by almost R20 trillion, and that from foreign economic activity by R13 trillion. How are these losses to be compensated? The government demanded proposals from us. We elaborated them. They include measures to increase customs and import duties.

[Linkov] Analysts are now proposing very diverse ways to develop the Russian economy over the next few years. In particular, our newspaper has published three scenarios prepared by experts of the Russian Union of Industrialists and Entrepreneurs. An optimistic version, a pessimistic one, and the most likely version are being

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

examined. What is your personal prognosis for the immediate future?

[Panskov] I assess present-day events from the viewpoint of reality. I have no intention of inventing harebrained schemes. If there is no change of economic course — and I do not believe that this will happen even after the presidential election — then the economy will move forward. The chief thing now is to stop inflation. Results have already been achieved. It stood at 2.8 percent for February. This is the lowest level recently. Everything indicates that it will be possible to attain an indicator of 1.9 percent.

If inflation is low, this means that investments will come into the economy. Although, of course, far from everything is shaping up so simply now with the structural restructuring of production.

[Linkov] The Russian president has set about toughening executive discipline in federal organs of power in real earnest. Employees of the Ministry of Finance have been among the first "casualties." In particular, the leader of the Federal Treasury has been dismissed. Observers are now conjecturing: Who will be the next candidate for dismissal?

[Panskov] My viewpoint on this question is unequivocal: Ministers come and go, but leaders of subdepartments stay. If you start dismissing precisely these specialists, you could simply paralyze the work not only of the Ministry of Finance but also of any other ministry. If a ministry is working badly, then the minister first and foremost must be dismissed.

Russia: Poultry Imports Increase 16-Fold Since 1992

LD0603152596 Moscow INTERFAX in English 1306 GMT 6 Mar 96

[FBIS Transcribed Text] MOSCOW, Mar 6 (Interfax) — Imports of poultry to Russia have increased by a factor of 16 in the past four years: from 50,000 tonnes in 1992 to 800,000 tonnes in 1995. At the same time, Russian meat output (cattle and poultry in live weight) dropped from 12.9 million tonnes in 1992 to 9.4 million tonnes in 1995, sources at the Russian Agricultural Ministry told Interfax Wednesday.

Poultry imports from the far abroad sharply increased in 1994: from 74,000 tonnes in 1993 to 496,000 tonnes in 1994, and reached 797,000 tonnes in 1995 (160 percent of the 1994 level).

Poultry imports from the former Soviet republics dropped to 2,800 tonnes in 1995, or 60 percent of the 1994 level.

The poultry stock at Russian farms, both collective and private, dropped from 568.2 million in 1992 to 439 million in 1995. The drop was the largest at large farms (from 378.3 million to 255 million).

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

International Affairs

Ukraine: Foreign Minister Discusses Security in Norway, Denmark

LD0803125296 Kiev Radio Ukraine World Service in Ukrainian 1100 GMT 8 Mar 96

[FBIS Translated Text] Ukraine is striving to activate the West European direction of its foreign policy. Recently President Leonid Kuchma visited Finland. The official visit to Denmark and Norway by Ukrainian Foreign Minister Hennadiy Udovenko is now taking place in the same context. At a news conference on the first day of Hennadiy Udovenko's visit to Norway [7 March] he noted that our country is very interested in developing relations with the Scandinavian countries, in particular with Norway.

It was noted that the most favorable sectors for intensifying cooperation are shipbuilding, oil and gas extraction, agriculture, the chemical industry, and energy-saving. Hennadiy Udovenko stressed that there is great interest on the Ukrainian side in involving leading Norwegian oil and gas prospecting and extracting companies in projects in Ukraine. He added that, in his opinion, regional and subregional cooperation has very good prospects, particularly within the Baltic, Barents, and Black seas.

In addition, one of the main issues raised at the talks was that of setting up a Europe-wide security system. In this context the sides also discussed their positions on the issue of NATO expansion to the east. Hennadiy Udovenko noted that Ukraine does not object to NATO expansion to the east, but on the other hand we are very concerned about it, for Ukraine really could end up as a buffer state.

All of these prospects for possible expansion of cooperation were discussed yesterday at meetings between Hennadiy Udovenko and Norwegian Prime Minister Gro Harlem Brundtland, the ministers of the economy, the oil industry and power engineering, foreign affairs, and defense. Also yesterday Hennadiy Udovenko visited the Norwegian parliament, the Storting. He emphasized, in particular, that the experience of Western states in developing the traditions of parliamentarism and the functioning of democratic institutions is very interesting for Ukraine.

Ukraine: Udovenko, Norway's Godal Discuss Relations With Moscow

LD0703203296 Moscow INTERFAX in English 1849 GMT 7 Mar 96

[FBIS Transcribed Text] Oslo, March 7 (Interfax - Ukraine) — While opposing NATO's eastward expansion, Russia is apt to forget that that it has had for a long time a common border with NATO, Norwegian Foreign Minister Bjorn Godal told Ukrainian newsmen in Oslo on Thursday.

According to him, the fact that Russia forgets about it is evidence that it is no problem.

He assumed that the issue of the NATO expansion would be examined in the course of Russian President Yeltsin's visit to Oslo, scheduled for March 20.

Besides, B. Godal evaluated as positive fact the statements "by numerous Russian Ministers that Russia has no right to veto the expansion of the alliance". He expressed the view that this issue was to be settled "by the East European countries themselves, not by Washington or Moscow".

In Godal's opinion, Russia's wish "to develop such a security system in which it would secure for itself the position of a great nation" is quite understandable. "Security is a common benefit and we cannot have it without everyone's participation", he noted.

The NATO eastward expansion is not aimed at "creating new borders in Europe but at their reduction," the Minister said.

Norwegian Foreign Minister has also disclosed that, in the course of the negotiations with his Ukrainian counterpart Hennadiy Udovenko, issues pertaining to Ukrainian-Russian and Norwegian-Russian relations had been examined as "separate subjects". At the same time, he noted that the sides shared the wish "to cooperate closely with all European nations".

B. Godal is quite sure that good relations between Ukraine and Russia "is a contribution to Europe's safety as a whole".

Besides, he spoke out negatively about Russia's practice to conduct military exercises in Russia's regions which are neigbouring on his country. In his words, the holding of such military exercises "adversely affects the development of bilateral relations".

B. Godal noted that he had tried to explain the Norwegian stand on that issue in the course of his talks with Russian Foreign Minister Yevgeniy Primakov on March 1-2.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Ukraine: PRC Official Discusses Cooperation With Udovenko

AU0703204096 Kiev HOLOS UKRAYINY in Ukrainian 6 Mar 96 p 1

[Unattributed report: "The PRC Delegation Has Left, Having Promised a Million Yuans"]

[FBIS Translated Text] The meeting between Ukrainian Foreign Minister Hennadiy Udovenko and Zhan Deguan [name as transliterated], deputy foreign minister of the People's Republic of China, was devoted to a discussion of all aspects of the bilateral relations between Ukraine and China, fulfillment of the accords that had been reached during the state visit to the PRC by Ukrainian President Leonid Kuchma last December, and progress in implementing the already concluded documents.

According to Hennadiy Udovenko, the circle of questions that were discussed during the visit highlighted once again the exceptionally important strategic relations between Ukraine and the Chinese People's Republic. He told representatives of the mass media that, during the talks, the Chernobyl problems, in particular, were touched upon. Zhan Deguan informed the Ukrainian side about the decision by the Chinese Government to grant Ukraine humanitarian aid amounting to 1 million yuans.

Yesterday, the Chinese delegation departed from Kiev.

Ukraine and China intend to intensify their mutual relations, as was pointed out at the meeting in Kiev between Zhan Deguan, PRC deputy foreign minister, and Volodymyr Butkevych, chairman of Ukraine's Supreme Council Standing Commission for Issues of Human Rights, Ethnic Minorities, and Interethnic Relations.

The sides underscored that lasting cooperation is not only in the interests of the two states, but also of the entire world community.

The Chinese deputy foreign minister said that "the leaders of China and the All-Chinese Assembly of People's Representatives regard the rapprochement between our two countries as a priority issue in their policy." He expressed satisfaction with the course of the visit and talks in Ukraine and emphasized that it had become possible to reach common views of some international problems, in particular, in the sphere of human rights. V. Butkevych pointed out that good relations between the Chinese Embassy in Ukraine and the Ukrainian Supreme Council make it possible to better understand the processes that take place in both countries.

The sides spoke in favor of intensifying interparliamentary ties and it was, in particular, decided to boost cooperation at the level of standing deputies commissions and experts.

Ukraine: Bulgaria, Ukraine To Begin Sea Border Military Cooperation

LD0703191996 Moscow INTERFAX in English 1705 GMT 7 Mar 96

[FBIS Transcribed Text] Sofia, March 7 (Interfax - Ukraine) — Ukraine and Bulgaria adhere to identical stands on European security as a whole, an "IF-U" correspondent was told in interview by Ukraine's Defence Minister Valeriy Shmarov, who is currently on an official two-day visit in Bulgaria.

In the course of his meeting yesterday with V. Shmarov, Bulgarian Defence Minister Dimitur Pavlov noted that the Armed Forces of the two countries have similar problems. He recalled that when the Warsaw treaty was in effect, Bulgaria was carrying out her duties in the south and south-east. Nowadays, D. Pavlov pointed out, the Bulgarian army must be ready to act along the whole perimeter of its border.

V. Shmarov told "IF-U" after the meeting that, although Ukraine and Bulgaria have a common sea border, it is necessary to hold joint land troops exercises and strengthen ties between military departments at all levels - from division to platoon.

Bulgaria is to participate in the "Shield of Peace-96" peace-keeping exercises due to be held near Lvov in June.

Ukraine: World Bank Guarantees Funding of Sea Launch Project

LD0703201996 Moscow INTERFAX in English 1812 GMT 7 Mar 96

[FBIS Transcribed Text] The World Bank has confirmed that it is prepared to finance the Ukrainian share in the international Sea Launch Project for the construction of a sea-based space-rocket launching site.

Oleksandr Negoda, general director of the National Outerspace Agency of Ukraine, said an understanding to this effect was reached during negotiations in Kiev February 26 between the World Bank and the Agency.

Negoda said the Ukrainian share has been estimated at around $100 million, to be given in credits by two British banks, whose names have not yet been revealed.

The Sea Launch closed joint-stock company is to be responsible for the construction and operation of the sea-based space-rocket launching complex on the basis of the Zenith booster rocket.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The official signing ceremony of the protocol on the creation of the Sea Launch U.S.-Norway-Russia-Ukraine joint venture was held in Oslo last December 14.

The cost of the project has been set at $600 million to be shared between Boeing of the United States (40%), Kvaerner Rosenberg of Norway (20%), Energiya Space-Rocket Complex of Russia (25%) and Ukraine's Yuzhmash production amalgamation and Yuzhmash design bureau - 15%.

The long-term Sea Launch program provides for 60 rocket launchings up to the year 2010. The first launch has been scheduled for the fourth quarter of 1998.

Ukraine: Navy Council Sums Up First Stage of Black Sea Fleet Split

LD0703203496 Moscow INTERFAX in English 1849 GMT 7 Mar 96

[FBIS Transcribed Text] Sevastopol, March 7 (Interfax - Ukraine) — The Military Council of the Ukrainian Navy has summed up on Thursday the results of the first stage in the splitting of the Black Sea Fleet.

In the course of the first stage in the splitting, acceptance has been completed of 25 ships and craft of the Crimean Naval Base, which have been included into the Southern Sea District, IF-U has been told at the press-center of the naval headquarters.

In this connection the Military Council has decided to form in the Southern Sea District groups for the training of crews of ships and craft to include commanding officers and those of the services of the Ukrainian Naval headquarters and the Sevastopol Naval Institute.

According to the press-center, around 50 ships and other craft as well as 70 ground facilities are to be turned over to the Ukrainian navy.

The Military Council members have discussed measures in preparation for the second stage of the splitting of the Fleet including the basing, enlistment and training of the crews of the ships and craft to be incorporated into the Ukrainian Navy.

Vice-Admiral Volodymyr Bezkorovayny, the Ukrainian Navy Commander, who chaired the Military Council, laid special accent on improving the quality of the training crews of the recently accepted ships and craft and taking urgent measures to resolve their social problems.

National Affairs

Ukraine: Supreme Council Amends Law on Election of Deputies

LD0703141496 Kiev UNIAN in Ukrainian 1300 GMT 7 Mar 96

[FBIS Translated Text] Kiev — On 7 March the Ukrainian Supreme Council amended Article 48 of the law on the election of people's deputies of Ukraine. The amendments give the Central Electoral Commission the right not to set repeat elections in constituencies where elections have been deemed invalid twice in a row in a year from the date of the last vote. Ukrainian Supreme Council Chairman Oleksandr Moroz emphasized that the change would "save considerable budgetary funds."

Ukraine: President Addresses Veteran Group on Economic Changes

LD0703132596 Kiev UNIAN in Ukrainian 1145 GMT 7 Mar 96

[FBIS Translated Text] Kiev [no date as received] — Ukraine is now in its second year on the path of economic reforms, the greatest burden of which has fallen on the poorest sections of the population, including pensioners and the elderly, Ukrainian President Leonid Kuchma said in a message to delegates and guests of the second congress of the Organization of Veterans of Ukraine.

He noted that it was too early to expect drastic changes in the economy within a short time, especially in the social sphere.

According to Leonid Kuchma, the process of building a new state is complex and lengthy, demanding perseverance of everyone and patience and solidarity from the whole of society.

The president said he was convinced that in such conditions the Ukrainian people would soon overcome the difficulties of the transitional period and would build a future worthy of the present and future generations.

The Ukrainian president wished the veterans good health, a long life, well-being, and personal happiness.

Ukraine: Communist Party Leader Assails Draft Constitution

LD0703140396 Kiev UNIAN in Ukrainian 1145 GMT 7 Mar 96

[FBIS Translated Text] Kiev — Petro Symonenko, first secretary of the central committee of the Communist Party of Ukraine, believes that the content of the draft Ukrainian constitution prepared by the working

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

group is "not a constitution of Ukraine's people, but a document that only continues to enact the anti-people constitutional treaty."

In an interview for UNIAN he emphasized that the communists do not see the fundamental ideas of a basic law in the draft. "The state is not guaranteeing the individual the right to work, education, housing and medical services," he said.

The communists categorically disagree with provisions on appointing judges and prosecutors rather than electing them and on a bicameral parliament. According to Petro Symonenko, the introduction of two chambers is "a grave mistake and has been included intentionally in order to level out the role of the legislative body." He believes that the draft does not even determine the functions of the two chambers.

The communist leader believes that the main fault in the draft constitution is its lack of a mechanism for the accountability of a political force for the course followed by the state. This is not "accidental," Petro Symonenko believes, because the draft "envisages the usurpation of power and consolidation of clan and mafia interests."

According to Petro Symonenko, the proposed draft basic law can only be the subject of parliamentary hearings and nation-wide discussion, and not adoption. He emphasized that representatives of the Communist Party in the constitutional commission will be striving for this procedure.

Ukraine: National Democratic Parties Support Draft Constitution

LD0703183996 Moscow INTERFAX in English 1707 GMT 7 Mar 96

[FBIS Transcribed Text] Kiev, Mar 7 (Interfax - Ukraine) — The leaders of a number of national-democratic parties have voiced their readiness to support the draft new Constitution of Ukraine, submitted to the Constitutional Committee, provided "all the provisions are preserved, which guarantee Ukraine's political independence, unitary structure, democratic system, observance of the citizens' basic rights and freedoms and the national symbols."

Meanwhile, the statement by the leaders of the Democratic Party of Ukraine, the Congress of Ukrainian Nationalists, the Ukrainian Republican Party and the Christian Democratic Party, faxed to IF-U Wednesday night [6 March], notes that "the draft Fundamental Law has a number of drawbacks calling for appropriate corrections."

However, "taking a realistic view of the political situation in Ukraine and taking account of all the problems around the life-turning decision, the Ukrainian society is going to take," the leaders of those parliamentary parties believe that the draft Constitution "may be passed by the Parliament of Ukraine."

Meanwhile, the paper says, the parties signatories to the statement intend to submit their remarks and demands to the Constitutional Committee and insist on their consideration.

The paper notes that the decision to support the draft "has not come easy and is to a great extent based on compromise." Yet the political parties did arrive at the decision "to preserve peace and concord in Ukraine."

The statement expresses hope that the signatories' opinion will be "heeded, understood and supported by Ukrainian citizens, people's deputies, political leaders and representatives of state power."

They urge all political forces in Ukraine, "holding the positions of statehood and democracy," to support their statement.

Ukraine: Chernobyl Radiation Leak in Nov 1995 Concealed From Public

LD0703184996 Kiev UNIAN in Ukrainian 1745 GMT 7 Mar 96

[FBIS Translated Text] Kiev — On 17 November 1995, a certain piece of equipment and a reactor hall became seriously contaminated with radiation during the refueling of a reactor at the first generating unit of the Chernobyl nuclear power station. Details of the event were not reflected or cited in the Chernobyl nuclear power station's report, UNIAN learned from a source close to the Ukrainian government.

A new report about the event prepared at the request of Ukraine's State Nuclear Inspectorate notes that contamination of the areas was caused by nuclear fuel particles following damage to a fuel assembly. Owing to violations of radiation safety requirements, the contamination was finally cleared up only in December 1995. One of the workers at the station received a dose of radiation equal to the annual permissible level.

The violation was classed as third on the international scale of incidents at nuclear power stations, i.e. as a serious incident. Ukraine's Ministry of Environment and Nuclear Safety has reported the incident to the IAEA.

Work is continuing on clarifying the circumstances of the incident.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Ukraine: Crimean Council Reserves Right To Call Referendum

LD0703214596 Moscow INTERFAX in English 1849 GMT 7 Mar 96

[FBIS Transcribed Text] Simferopol, March 7 (Interfax - Ukraine) — Crimea's Supreme Council has reserved for itself the right to lift the moratorium on calling a referendum on Crimea's status, says the statement by the Presidium of the Crimean Parliament circulated on Thursday.

The statement adopted on March 7 is addressed to Ukrainian President Leonid Kuchma, Verkhovna Rada Speaker Olexander Moroz, the OCSE [Organization for Security and Cooperation in Europe] mission to Ukraine, the deputies of the Crimean Supreme Council, and the people of the Republic of Crimea.

The Crimean Parliament has also declared that it reserves for itself the right to call a referendum on the restoration of the Crimean Constitution of May 6, 1992, which provided for building relations between Crimea and Ukraine on a contractual basis.

"Guided by the standards of international law, the Supreme Council of Crimea has for a long time held in check the negative reaction of a majority of the Crimeans to the ill-considered and biased actions by the Ukrainian leaders," the statement says. The Presidium noted that it is taking a decision to this effect "in the obtaining situation which is fraught with the dismantling of the Republic as an autonomous state."

The draft constitution of Ukraine prepared for examination at the Constitutional Committee meeting on March 11 envisages, among other things, some "charter" of Crimea. Meanwhile the Crimean Parliament adopted on November 1, 1995 the Constitution of Crimea, which, in conformity with Ukrainian laws, becomes effective after endorsement by the Ukrainian Parliament.

Economic Issues

Ukraine: Kuchma Orders Timely Payment of Wages

WS0803114896 Kiev INTELNEWS in English 0205 GMT 8 Mar 96

[FBIS Transcribed Text] Kiev, March 7. President Leonid Kuchma has ordered the Cabinet of Ministers to allocate funds for the payment of wages owed to employees in the welfare and education sectors, according to the Presidential administration press-service spokesman, Andriy Chyrva.

The heads of Kiev and Sevastopol oblast administrations as well as the government of Crimea are obliged to provide timely payments of wages from local budgets, and they were charged with personal responsibility for implementation of the Presidential regulation.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Belarus

Belarus: Lukashenka Guarantees FRY Assistance

LD0703195396 Moscow INTERFAX in English 1851 GMT 7 Mar 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MINSK, March 7 (Interfax-West) — Belarus will provide Yugoslavia with assistance guaranteeing its territorial integrity, Belarussian President Alyaksandr Lukashenka told a press conference in Minsk Wednesday.

"Belarus will provide substantial support to Yugoslavia not only with peaceful products, but also with those which will ensure the inviolability of its borders," he said upon his talks with his Yugoslav counterpart Zoran Lilic.

"The assistance to be provided will be not only military, but also trade and economic, which is of no less importance for ensuring Yugoslavia's territorial integrity," he stated.

The two presidents had signed a treaty on friendship and cooperation between the two countries upon the end of their talks.

The two countries also concluded a package of intergovernmental accords including those on mutual protection of investments, trade and economic cooperation.

Today, Lilic met with Belarusian Prime Minister Mikhail Chyhir, visited a major defense plant and spoke in the National Academy of Sciences.

Belarus: FRY President Objects to Bosnia Solution

LD0703210896 Moscow INTERFAX in English 1921 GMT 7 Mar 96

[FBIS Transcribed Text] MINSK, Mar 7 (Interfax-West) — President of the Federal Republic of Yugoslavia Zoran Lilic believes that a new world order has to be instilled, but not in the way this is being done in Bosnia. Peace should not be based in a military hierarchy, he said at the Belarusian National Academy of Sciences.

Every nation, large and small, militarily strong or otherwise, should have a right to make its own decisions, Lilic said.

Lilic praised Belarusian and Russian Presidents Alyaksandr Lukashenka and Boris Yeltsin for the courage they showed in supporting the Serbs and Montenegrins in these difficult times.

The use of force in such conflicts does not solve problems but creates new ones, he believes.

The Balkans for the Balkan people, is the motto of the Yugoslav policy.

Lilic is in Belarus for a three-day visit.

Belarus: NATO Teams Complete Inspection of Military Units

WS0803100496 Minsk BELAPAN in English 0735 GMT 8 Mar 96

[FBIS Transcribed Text] On March 7 two foreign military inspection groups completed their work in Belarus. A group of military experts of the US Army inspected the former Russian Strategic Rocket Forces base near Lida, Hrodna region, under the Intermediate-Range Nuclear Forces (INF) Treaty. The Americans seem to be satisfied with the results of their inspection. As a BELAPAN correspondent was informed at the National Agency for Control and Inspections (NACI), the American inspectors made sure again that Belarus was honest and punctual in meeting its commitments under this Treaty. An inspection group of representatives of the armed forces of Germany and Canada also expressed satisfaction with the results of its visit to Belarus. This group inspected military units by flying in two helicopters around the southern part of the Minsk region, the western part of the Mahilyow region and the northern part of the Homel region.

Belarus: U.S. EU Representative's Visit Reported

WS0803113296 Minsk Radio Minsk Network in Belarusian 0400 GMT 8 Mar 96

[FBIS Translated Text] I do not see a united Europe without Belarus — stated Ambassador Eizenstadt, U.S. representative to the EU, while sharing with journalists his thoughts on the results of the meeting with Belarusian Supreme Soviet Chairman Syamyon Sharetski. The renowned U.S. diplomat had arrived in Belarus to examine the possibility of creating a free corridor for the movement of commodities and services through Belarus to West Europe and back without high customs duties. He also touched upon the prospect of Belarus's admission to the EU and upon signing a mutual agreement on investments what would facilitate the state's more smooth integration with European structures and strengthen its economic development.

While speaking about the results of the negotiations with the esteemed guest, the Supreme Soviet chairman underscored that the legislative basis which has been created is currently able to resolve many integration issues. U. S. Ambassador to Belarus Kenneth Spencer Yalowitz participated in the meeting.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Moldova

Moldova: Snegur Denies Intention To Unite With Romania

AU0703161596 Chisinau INFOTAG in English 1930 GMT 6 Mar 96

[FBIS Transcribed Text] Chisinau, March 6 (INFOTAG) — President Mircea Snegur today had a meeting with a group of residents from Sofia village in the Drochia district.

When Mr. Snegur was commenting his legislative initiative on re-naming the official language back into Romanian, the villagers asked him to confirm or refute rumours that the President is, allegedly, seeking a Moldovan-Romanian unification.

"This is nothing but inventions of my political opponents," the head of state replied, and said everybody would have a possibility to see his real intentions during the forthcoming electoral campaign, in case he decides to run for the new presidency.

He announced that his legislative initiative on making land tradable will be considered in parliament on March 15. In his opinion, the rural intelligentsia should be also given a possibility to become land owners, and not only peasants.

He pointed out the necessity to raise wages and pensions to a level that would provide for a normal living and would allow to purchase land for cash in case the Parliament passes an appropriate decision.

Moldova: Chisinau Committed to Moldovan-Russian Treaty

LD0703200396 Moscow INTERFAX in English 1805 GMT 7 Mar 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] CHISINAU, March 7 (Interfax) — The statement by Moldovan presidential aide Petr Dascel that the Russian-Moldovan treaty on friendship and cooperation could be denounced is not Chisinau's official position, Moldovan Deputy Parliamentary Chairman Dumitru Dyakov told Interfax Thursday.

Dascel had said last Thursday that the treaty should be denounced as "outdated, though it had never been ratified by Russia's State Duma."

Dascel had consulted neither with Moldova's parliament, nor government before he made this statement and was expressing his personal point of view, Dyakov said. "Such unthoughtful statements affect the traditionally friendly relations between the two countries," he said.

The Moldovan parliament had launched talks with the Duma leadership about stepping up the ratification of the treaty last year, Dyakov recalled. "The debate will be continued when a Duma delegation pays a response visit to Moldova," he said.

Dyakov was confident that the Russian parliament will ratify the treaty, an additional protocol and other bilateral accords.

Moldova: Government, Russia Sign Protocol for Gas Deliveries

LD0703140696 Moscow ITAR-TASS in English 1329 GMT 7 Mar 96

[By Valeriy Demidetsky]

[FBIS Transcribed Text] Chisinau, March 7 (Itar-Tass) — A protocol regulating the procedure for the payment of debts for Russian gas deliveries to Moldavia was signed in Chisinau today. On behalf of the Moldavian Government it was signed by Deputy Prime Minister Valentin Cunev, and on behalf of Russian Gazprom — by its deputy head Aleksandr Pushkin.

During the talks with the Gazprom management it was established that Moldavia's debt for Russian gas deliveries, including fines for the delay in payments, amounted to 380 million dollars by March 1996, sources in the Moldavian Government told Tass. The Dniester Region accounts for a major part of this sum.

Under the document signed today, the Moldavian side pledges to pay its debt both with hard currency (39 million dollars every month) and by the delivery of food and other goods to Russia.

Moldova: Diacov Denies Intent To Refute Treaty With Russia

AU0703181996 Chisinau INFOTAG in English 1930 GMT 6 Mar 96

[FBIS Transcribed Text] Chisinau, March 6 (INFOTAG) — The recent statement on the alleged intent of the Moldovan side to denounce the Moldovan-Russian basic Treaty of Friendship and Cooperation is in no way an official stance of the Republic of Moldova, Mr. Dumitru Diacov, deputy chairman of the Moldovan Parliament, has stated to INFOTAG.

As was already reported by INFOTAG, the expediency to denounce the Treaty was stated last week by Mr. Petru Dascal, the foreign policy adviser to President Snegur. Dascal said, the Treaty has become obsolete

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

already before its ratification by the Russian State Duma.

On Tuesday, a disagreement with Dascal's opinion was voiced by an official in the Ministry of Foreign Affairs of the Russian Federation, who said the denouncing was inexpedient, as the current Treaty and Protocol to it "took much time and effort to sign."

Diacov said to INFOTAG today that "no consultations on the question have been held either with the Parliament, or with the Ministry of Foreign Affairs."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Kazakhstan

Kazakhstan: President Nazarbayev Talks With Yeltsin

LD0703185496 Almaty Kazakh Radio First Program Network in 1500 GMT 7 Mar 96

[FBIS Translated Text] A telephone conversation took place today between the presidents of Kazakhstan and Russia, Nursultan Nazarbayev and Boris Yeltsin. They exchanged opinions on the further deepening of interaction between the two countries. In particular, they noted the successful work of the committee preparing an agreement on deepening integration between Kazakhstan and Russia in the economic and humanitarian fields. An agreement has been reached to hold a meeting between the two presidents to sign this document in the nearest future.

Nursultan Nazarbayev and Boris Yeltsin discussed Kyrgyzstan's request to be admitted to the Customs Union. Kazakhstan's head voiced his support for this request.

The head of our state expressed his concern over the situation in Chechnya and the North Caucasus as a whole. He told Yeltsin about the contents of numerous addresses [to him] from the Chechen diaspora and representatives of other peoples of the North Caucasus residing in Kazakhstan, asking [Nazarbayev] to assist in settling the crisis. Boris Yeltsin said that the Russian leadership is searching for ways to bring the war in the Chechen Republic to an end as soon as possible.

The presidents have also discussed other matters relating to relations between the two friendly states.

Kazakhstan: Nazarbayev on Personnel Reshuffle, Crime Issue

LD0603200296 Almaty Kazakh Television First Program Network in Kazakh 1500 GMT 6 Mar 96

[FBIS Translated Excerpt] Now for the appointments of the day: The president of the republic [Nursultan Nazarbayev] has issued a decree appointing new heads of administration of Almaty and Taldy-Kurgan regions. The head of state introduced the new head to senior officials of the Almaty regional administration:

[Begin Nazarbayev recording] I have issued a decree appointing [Serik] Umbetov head of Almaty Region.

Today's personnel reshuffle is connected with the release of [Akhmetzhan] Yesimov from the post of deputy prime minister and his appointment as state secretary of the republic and the move of Zhanibek Salimovich Karipzhanov [minister of agriculture] to the post as deputy prime minister. [Serik] Akhimbekov is [agriculture] minister in Karipzhanov's place and the head of your regional administration [Umirzak Uzbekov] took Akhimbekov's place [as head of administration of Taldy-Kurgan Region]. Now his place is vacant here and everything is going on in a natural way. There is no especially far-fetched dash here. [sentence as heard] [end recording]

[Correspondent] Serik Abekenovich Umbetov was born in 1950. He is a zoological engineer by profession. In the past he was head of Kurday District administration and from December 1994 up to now he has been deputy head of administration of Almaty Region. The new head of administration's inheritance is not an easy one. The region is receiving subsidies. A total of 50 percent of its budget comes in from the country's treasury.

However, it is time to part with the mood of dependency, Nursultan Nazarbayev said, reminding the senior officials of the benchmarks of their activity. The region's own output must become the main source of its income. Hopeless and unprofitable enterprises and farms and tax collection from corporate entities should be tackled in a tougher manner. The agrarian sector demands specific attention from the leadership. Here, the president advised, in the first place, the administration must help in marketing agricultural products, help the owners to manage their own business during the initial stages, and teach them how to be owners. The whole trouble is that people have become the owners of neither big nor small businesses. The problem of unemployment is acute. The government is drawing up a program to build a large cloth factory and a South Korean-Kazakh joint home-appliances plant. In brief, investors, who will provide jobs and income to the region, have to be found. The construction of processing enterprises will help raise the efficiency of agriculture. The president instructed the government to tackle the problem of children's food. The law-enforcement bodies were also criticized.

[Begin Nazarbayev recording] The crime situation in the region remains difficult. The complexity of the criminal situation is connected in many ways with the lack of a whole preventive system, the low level of organizational work, and the decline in discipline and professionalism in the law-enforcement bodies. [end recording]

[Correspondent] The president recalled that the region's law- enforcement bodies are accountable to the head of the regional administration. They must answer to him for the fight against crime. [passage omitted]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Kazakhstan: Vice President Asanbayev Leaves Office

LD0703214396 Moscow ITAR-TASS World Service in Russian 1528 GMT 7 Mar 96

[FBIS Translated Text] Almaty, 7 Mar — It was announced here today that Kazakh Vice President Yerik Asanbayev has left office in connection with his appointment as Kazakhstan's ambassador to the Federal Republic of Germany.

In a ceremony to mark this, Kazakh President Nursultan Nazarbayev spoke highly of Asanbayev's work in all his posts.

Under Kazakhstan's new constitution the post of vice president is being abolished.

Kyrgyzstan

Kyrgyzstan: Akayev, Dzhumagulov To Meet Visiting U.S. Delegation

LD0803103896 Moscow ITAR-TASS in English 0916 GMT 8 Mar 96

[By Alisher Niyazov]

[FBIS Transcribed Text] BISHKEK, March 8 (Itar-Tass) — A U.S. government delegation led by ambassador at large James Collins, which arrived in the Kyrgyz capital Bishkek on an official visit on Friday, will discuss prospects for economic and military cooperation with the Kyrgyz leadership, Itar-Tass learnt at the press service of the Kyrgyz president here today.

The delegation, consisting of representatives from the U.S. State Department, the Pentagon, the Treasury Department, the Central Intelligence Agency and the National Security Council, will hold today talks with President Askar Akayev, Prime Minister Apas Dzhumagulov and Foreign Minister Roza Otunbayeva.

The sides are expected to examine questions concerning a U.S. government programme for rendering aid to Kyrgyzstan in the sphere of economic and financial reforms as well as prospects for bilateral military cooperation, including under the NATO programme "Partnership for Peace".

The U.S. delegation also plans to meet members of Kyrgyz public and political organisations.

Kyrgyzstan: President: Peak of 'Catastrophic' Situation Passed

LD0603155996 Moscow Russian Public Television First Channel Network in Russian 1200 GMT 6 Mar 96

[Correspondent Vladimir Fedorov report from Bishkek; from the "Novosti" newscast]

[FBIS Translated Text] Today, the newly-formed Government of Kirghizia informed parliament about measures to implement Askar Akayev's economic program, set forth by him in a message to people's deputies. [Correspondent Vladimir Fedorov] On the whole, the government team led by the highly experienced Apas Dzhumagulov did not suffer any major or, more importantly, any fundamental changes. Economic policy also remains the same, which, according to estimates by Western experts, has put Kirghizia in the lead when it comes to market reforms. It has low inflation, a stable currency, and 55 percent of state property has been privatized. However, the quality of this process is poor. One in every five enterprise stands idle, joint-stock companies are ineffective, and the share of private business in the total volume of the gross domestic product is only two percent. Stocks of unsold products are estimated to be worth $50 million.

The president has called the situation catastrophic, although he believes that the peak of the economic crisis has passed, and this year, industry could show an increase in output of three percent, and agriculture, five percent — that is, as long as there is further integration within the CIS and the customs alliance and if theft, bribery, and corruption are successfully curbed.

Tajikistan

Tajikistan: Afghan President Rabbani Arrives in Dushanbe

LD0703180096 Kabul Radio Afghanistan Network in Pashto 1530 GMT 7 Mar 96

[FBIS Translated Excerpt] Esteemed Professor Borhanoddin Rabbani, president of the Islamic State of Afghanistan, and his entourage delegation arrived in Dushanbe, capital of Tajikistan, at noon today.

BAKHTAR's correspondent reported from Dushanbe that the esteemed president of Afghanistan was welcomed by Tajik President Emomali Rakhmanov, members of the country's cabinet, high-ranking officials, and clergymen. [passage omitted: welcoming ceremony]

According to another report, talks were concluded in Ashgabat, capital of Turkmenistan, between the leaders of the Islamic State of Afghanistan and the Republic

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

of Turkmenistan. Afghan President Borhanoddin Rabbani and his accompanying delegation, and esteemed Saparmurad Niyazov, president of Turkmenistan, and accompanying delegation took part in these talks. Subjects of mutual interest and the strengthening of relations between the two countries were discussed at the talks.

Tajikistan: Afghanistan's Rabbani Views Results of Tajik Visit

LD0803114096 Moscow ITAR-TASS in English 1040 GMT 8 Mar 96

[FBIS Transcribed Text] DUSHANBE, March 8 (ITAR-TASS) — Afghanistan President Borhanoddin Rabbani backed peace moves by the Tajik leadership on a political settlement of the inter-Tajik conflict, guided by a premise that there is no alternative to achieving a civil peace and accord in Tajikistan.

Addressing on Friday a news conference in Dushanbe on the results of his two-day working visit to Tajikistan, he stressed that the two sides should look for and find political compromises.

In this connection, the Afghan leader praised a new initiative of Tajik President Emomali Rakhmanov who expressed readiness to meet leader of the united Tajik opposition Said Abdullo Nuri without any preliminary conditions and at any place to sign an unlimited peace treaty for the entire period of the negotiating process.

The Afghan president suggested Kabul as a meeting place, noting that it had been Kabul where the Tajik president and the leader of the opposition had held their first meeting last spring.

Rabbani called his visit successful, noting that he and Rakhmanov discussed all issues of mutual interest, including the situation on the Tajik-Afghan border, regional security as well as trade and economic cooperation.

The two leaders exchanged opinions on steps to stabilise the social and political situation in their countries.

According to the Afghan president, the leadership of his country is in favour of normalising the situation on the Tajik-Afghan border in the belief that it should be not a military frontier but a border of peace, friendship and good-neighbourly relations.

The Afghan leadership will take specific moves to stabilise the situation at this section of the southern border of the Commonwealth of Independent States.

Describing the military and political situation in his country, the Afghan president said that he favours a dialogue with all opposition forces and is ready to start talks with them at any place.

The Afghan leader is convinced that the situation in the region depends on how events will develop in some or other country of the region.

Asked by Itar-Tass about the Afghan president's appraisal of the present state of Afghan-Russian relations and the role played by the Russian Federation in Tajikistan and the entire Central Asian region, Rabbani said that his country has been advocating stronger and equal relations with Russia and praises the course of the Russian leadership and personally President Boris Yeltsin for non-interference in domestic affairs of other countries, including Afghanistan.

Afghan people do not blame Russia for the past war. It was unleashed by other rulers when another system existed. Moreover, the Russian leadership, the Russian parliament and Russian people denounced the dispatch of troops to Afghanistan.

Rabbani noted at the same time that Russia can play an important role in stabilising the situation in Tajikistan and the entire Central Asian region. He also favoured the establishment of good-neighbourly relations with other countries, including Pakistan and Iran.

The Afghan and Tajik presidents adopted a joint communique on the results of their talks, where the sides advocate political and peaceful methods of settling political problems and continuation of the negotiating process with the opposition.

The communique stresses that it is possible to reach a civil peace only on the basis of a mutual accord in the framework of the operating Constitution. Rabbani will depart from Dushanbe today after the end of the working visit.

Tajikistan: Rakhmanov Ready To Meet Opposition Leader Nuri

LD0703181296 Moscow ITAR-TASS World Service in Russian 1612 GMT 7 Mar 96

[FBIS Translated Text] Dushanbe, 7 Mar (Itar-Tass) — Tajik President Emomali Rakhmanov is prepared to meet at anytime and anyplace the joint Tajik opposition leader Said Abdullo Nuri and sign an agreement with him on an immediate cease-fire and a halt to other hostilities, both on the Tajik-Afghan border and also inside the country, during the whole period of the talks on a peaceful settlement of the conflict. The Tajik leader said this today after talks with Afghan President Borhanoddin Rabbani who arrived in Dushanbe this morning on a two-day working visit.

Emomali Rakhmanov also said that he asked the Afghan president to pass the proposal to the head of the Tajik

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

opposition. Borhanoddin Rabbani welcomed this initiative and also the decision of the republic's leadership to invite representatives of the opposition to a special session of the Tajik parliament on 11 March. The Afghan president promised that on arrival in Kabul he will meet the Tajik opposition leader and bring to his attention the importance of representatives from the opposition being present at this session.

Emomali Rakhmanov said that during the two-hour talks with the Afghan president the situation on the Tajik-Afghan border, issues on regional security, and also ways of a speedy return of Tajik refugees, temporarily residing in Afghanistan, were discussed. According to Rakhmanov, the Afghan president also shares the Tajik leadership's concern about the situation on the border and intends to meet with leaders of the bordering districts of the Afghan Badakhshan after his return to Kabul so as to work out measures for preventing acts of provocation by fighters of the Tajik opposition from the territory of Afghanistan.

Borhanoddin Rabbani will hold a news conference on the results of his visit to Dushanbe tomorrow morning.

Tajikistan: Opposition Accuses Government of Starting Offensive

LD0803092996 Moscow ITAR-TASS World Service in Russian 0727 GMT 8 Mar 96

[By ITAR-TASS correspondent Oleg Kuzmin]

[FBIS Translated Text] Tehran, 8 Mar (Itar-Tass) — The leadership of the Tajik opposition released a statement here today which accuses the Tajik Government forces of beginning a wide-scale offensive in the districts of Tavildarinskiy, Komsomolabadskiy, and Vanchskiy. The statement says that combat operations are being conducted on territory "under the full control of the opposition".

Abdullo Nuri, the leader of the Combined Tajik Opposition, who signed the document, stressed that the government in Dushanbe had rejected extending the agreement on a temporary cease-fire and attacked positions of opposition detachments.

Tajikistan: Tajik Rebels Shell Russian Border Troops

LD0803102996 Moscow ITAR-TASS in English 0916 GMT 8 Mar 96

[FBIS Transcribed Text] DUSHANBE, March 8 (ITAR-TASS) — Post 12 of the Moscow border detachment stationed in Tajikistan has been heavily shelled by Tajik rebels on Thursday.

A spokesman for the command of Russian border troops told Itar-Tass today that 41 missiles had been fired on Russian positions.

The Russians reported no casualties.

The spokesman said the border post struck back with missiles and helicopter gunships.

Five rebels were said to be killed and two wounded. Fire of border guards destroyed a high-calibre machine-gun and a multiple missile launcher of rebels.

Tajikistan: Opposition Repels Government Attack; 30 Killed

LD0803112896 (Clandestine) Voice of Free Tajikistan in Tajik 0300 GMT 8 Mar 96

[FBIS Translated Text] Clashes in the Sicharog area of Komsomolabad District have brought fresh difficulties to the communist regime of Tajikistan. According to a report, mojahedin have managed to kill more than 30 people in beating off an attack by the government's paramilitaries. According to the report from Sicharog, Mullo Abdullo's mojahedin of the army of the Islamic Movement of Tajikistan have wiped out three armored personal carriers during the fighting. Clashes are still continuing in this area, and fighting is in progress in Tavil Dara District between the mojahedin and forces loyal to [Tajik President] Emomali Rakhmanov.

At the same time, the information center of the Islamic Movement of Tajikistan reports that one more military helicopter of the communist cult's [Russian] supporter forces has become a target of the mojahedin of the army of the Islamic Movement of Tajikistan in Shuroabad District. This military achievement on the part of the mojahedin came in the course of retaliatory fire after the Dushanbe regime bombarded them. It is mentioned that aircraft and helicopters of the forces supporting Rakhmanov's government are constantly bombarding the mojahedin of the army of the Islamic Movement of Tajikistan's area in Shuroabad District. However, many of their actions are in vain, as they are firing from a distance and are afraid to come in close.

It should be said that the mojahedin of the army of the Islamic Movement of Tajikistan have launched retaliatory operations in all areas following [Islamic Movement leader] Professor Sayed Abdullo Nuri's orders and are preventing attacks by the regime's forces.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Azerbaijan

Azerbaijan: Rallies Threatened Over Israel's Terror Remarks on Iran

NC0803100796 Baku TURAN in English 1231 GMT 7 Mar 96

["Simurg Community States About Possibility of Anti-Israeli Rallies and Pickets in Baku"—TURAN headline]

[FBIS Transcribed Text] BAKU/07.03.96/TURAN — Azeri-Iranian community "Simurg" sent a letter to the Ambassador of Iran to Azerbaijan Eliezer Yotvat [name and title as received]. "Simurg" recommends to be "careful" and to abstain from "irritating" words concerning Iran.

The letter notes that "numerous supporters of Iran in Azerbaijan are not indifferent to such matters and can hold pickets, rallies and take other measures," the letter reads.

"Simurg" notes that words of the Ambassador after March 5 on acts of terrorism aroused indignation of members of society. "Simurg" states that contrary to opinion of the Ambassador most Azerbaijanis consider Iran "fraternal" and "friendly" state.

Azerbaijan: Aliyev Receives President of French Oil Company

NC0703223096 Baku TURAN in English 1223 GMT 7 Mar 96

[FBIS Transcribed Text] Baku/07.03.96/TURAN: Today President Geydar Aliyev received Philip Geoffrey, the president of French oil company "ELF." Heydar Aliyev said "political relations of Azerbaijan with France are normal and your arrival shows that the economic relations of both countries are strengthening."

Aliyev said he was aware of what place ELF is occupying in the economy of France. "I became convinced of that during the meeting with leadership of France," he said. There is an opportunity now to make concrete the program of actions and to start its implementation, Geydar Aliyev said. He added that yesterday he received a letter from France's Prime Minister Alain Juppe in which France attaches great significance to economic relations with Azerbaijan and, in particular, to future activity of ELF in Azerbaijan.

"Staying in Azerbaijan I felt the spirit of optimism in case of implementation of oil contracts. I ensure you in that our part has the same mood," Philip Geoffrey said. He said that today he met with the leadership of SOCAR and had business talks on the prospects of co-operation. He noted that ELF was ready to invest oil industry of Azerbaijan.

Then the meeting was held behind the closed doors.

According to informed source in SOCAR [State Oil Company of Azerbaijan], ELF is interested in perspective structure "Lenkoran-Deniz" (southern part of the Azeri sector of the Caspian,) and also in the gas condensate oil field "Shah-Deniz."

Azerbaijan: Foreign Minister Denies Disagreement With Iran on Caspian

NC0703204796 Baku Radio Baku Network in Azeri 1900 GMT 7 Mar 96

[FBIS Translated Text] Commenting on Iranian Foreign Minister 'Ali Akbar Velayati's visit to our country, Foreign Minister Hasan Hasanov declared that no contentious issues exist between Iran and Azerbaijan. Hasanov said that talks, not disputes, continue to determine the legal status of the Caspian.

Azerbaijan: Iran To Join Exploitation of Shahdeniz Field

NC0703204696 Baku Radio Baku Network in Azeri 1900 GMT 7 Mar 96

[FBIS Translated Text] Iran has agreed to participate in the exploitation of the Shahdeniz field. This was stated by the State Adviser Vafa Guluzade after his talks with the Iranian Foreign Minister 'Ali Akbar Velayati during the latter's visit to Baku. A delegation of the Iranian State Oil Company will arrive in Azerbaijan in the coming days to conduct concrete talks on this issue.

Azerbaijan: Foreign Ministry Protests Armenian Agreement With Karabakh

NC0703205196 Baku Radio Baku Network in Azeri 1700 GMT 7 Mar 96

[Statement by the Azerbaijani Foreign Ministry press service — read by announcer; date not given]

[FBIS Translated Text] The Azerbaijani Foreign Ministry sent a note to the Armenian Foreign Ministry on 5 March in connection with the cooperation and bilateral relations agreement signed between the Armenian National Assembly and the pseudo parliament of the illegal Nagorno-Karabakh Republic in Yerevan on 1 March.

The note states that this step by the Armenian Republic is a gross interference in Azerbaijan's domestic affairs and an infringement on its sovereignty and territorial integrity.

The note states: The Azerbaijani Foreign Ministry regards the agreement signed in Yerevan as an illegal document which undermines the efforts of the international organizations for the peaceful political resolution

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

of the Armenian-Azerbaijani conflict, and which is discordant with the international law.

The Azerbaijani Foreign Ministry expresses its resolute protest against the continuation of the policy of provocation aimed at retaining and consolidating the consequences of Armenia's aggression against Azerbaijan.

Azerbaijan: Baku Says Armenia Meddling in Internal Affairs

LD0703201096 Moscow INTERFAX in English 1805 GMT 7 Mar 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] BAKU, Mar 7 (INTERFAX) — Azerbaijan has said Armenia is meddling in its internal affairs.

The Armenian parliament sealed a cooperation agreement on March 1, 1996, with "an illegally created structure of the Armenian-dominated Nagorno-Karabakh region of Azerbaijan," Azerbaijan's Foreign Ministry said.

Azerbaijan sees this as an openly impertinent attempt to meddle in its internal affairs and a provocative move timed to coincide with OSCE [Organization for Security and Cooperation in Europe] acting chairman Flavio Cotti's visit to the region, the Foreign Ministry said in a press statement distributed Wednesday evening in Baku.

Azerbaijan accuses the Armenian parliament of infringement on its territorial integrity and sovereignty.

The Armenia-Karabakh agreement has no legal force, it says.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Estonia

Estonia: Financing Agreements for Radar Systems Purchase Ratified

LD0703221796 Moscow INTERFAX in English 2033 GMT 7 Mar 96

[FBIS Transcribed Text] TALLINN, Mar 7 (INTERFAX) — Estonian parliament ratified a credit agreement with the French Banque Paribas and a loan agreement with the Japanese Marubeni financial corporation Thursday, which allows Estonia to purchase border radar systems from the French company Thompson CSF.

The radars will be deployed on the Russian border within a year and a half. They are capable of detecting and following air targets at the distance of 80 kilometers and land and water-surface targets at up to 50 kilometers.

The French bank provided DM 10 million for the purchase and Marubeni granted DM 3.9 million. Estonia is to repay the money within 6.5 years.

The contract with Thompson CSF, signed by the Estonian government last October, is the second largest contract after the country regained its independence in August 1991. In 1993, Estonia purchased arms from the Israeli TAAS firm for $49 million.

Estonia: Foreign Minister on Russian Reaction To Chechen Condolences

LD0703193996 Tallinn Radio Tallinn Network in Estonian 1800 GMT 7 Mar 96

[FBIS Translated Text] Sixty-three members of the Riigikogu today sent their condolences to Chechen President Dzhokhar Dudayev over the death of his son-in-law, field commander Salman Raduyev.

Raduyev became famous for leading the Chechen grouping that took several hundred hostages in the town of Kizlyar, in Dagestan, on 9 January. Raduyev was reported to have died yesterday.

Russia responded by accusing Estonia of supporting terrorism. The Russian Ministry of Foreign Affairs called the statement by the Riigikogu a gross interference and a miserable attempt and said that, judging by everything, Tallinn has chosen the path of supporting terrorism.

Mall Malberg asked Estonian Foreign Minister Siim Kallas to comment on the situation.

[Begin recording] [Malberg] After the statement by the Riigikogu, Russia accused Estonia of supporting terrorism and the Russian Foreign Affairs Ministry called the Riigikogu statement a rude attack and miserable attempt at the same time. I would like your comment, Mr. Kallas.

[Kallas] Undoubtedly, this was not a statement by the Riigikogu in its direct legal sense. But a document signed by nearly two- thirds of the members of parliament of a country is, no doubt, extremely important. It is not a matter for the executive power to evaluate documents by the parliament.

All I can say is that Estonia will have many big unpleasant complications because of this document. No matter what our attitude is toward Chechnya and its fighting, one thing is clear: In order to achieve independence they use methods like taking hostages, which the world unanimously condemns. Therefore, they also lack political goodwill. Therefore, no doubt, we will have to do a lot of explaining and face very many unpleasant situations.

[Malberg] Aleksandr Udaltsov, the curator on Baltic issues [of the Russian Ministry of Foreign Affairs], has said that Russia will find it very difficult to reach a common language with an Estonian parliament that is sending condolences to Dudayev. This does not sound too good, does it?

[Kallas] Russia's sharp reaction to such a document, no doubt, is what one would expect. I will say no more. [end recording]

Estonia: Defense Forces To Conduct Exercises Near Russian Border

LD0703174696 Tallinn Radio Tallinn Network in Estonian 1300 GMT 7 Mar 96

[FBIS Translated Text] The Estonian Defense Forces will hold tactical exercises in southern [southeastern] Estonia over the coming weekend [8-10 March].

The aim of the exercises is to practice partisan warfare during a possible aggression. A Defense Forces General Staff press representative said that the tactical exercise, "The Bear Is Moving its Lair," will be held in the Vorumaa and Polvamaa Districts [bordering Russia] from Friday to Sunday.

The press representative said that those taking part in the exercises are to practice delaying battle and moving over to partisan warfare. Partisan warfare is one of the main forms of resistance in the event of an enemy attack.

Subdivisions of the Kuperjanov's, Kalevi, and Viru Infantry Battalions, of the Tartu Infantry Company, of the Defense Troops Military School, of the Voru and Polva Divisions of the Defense League [a voluntary paramilitary organization], and of the Noo Aviation

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

College [near Tartu] will participate in the exercises. Light aircraft will also take part in the exercises.

Latvia

Latvia: Andris Skele, Luc Van den Brande Sign Partnership Agreement

BR0703162596 Antwerp GAZET VAN ANTWERPEN in Dutch 6 Mar 96 p 4

[Report by Guido Tastenhoye: "Flemish Mission Arousing Interest in Latvia"]

[FBIS Translated Excerpt] Riga — Yesterday Flemish Prime Minister Luc Van den Brande was welcomed amid great public interest in the Latvian capital of Riga, the second halt on his four-day official visit to the Baltic states. Just like in Estonia, Van den Brande had meetings on the highest political level in Latvia.

The importance the Latvians attach to the visit is shown by the honors Van den Brande receives. The press is paying much attention to Van den Brande's visit, which is placed within the context of Latvia's overture to the European Union. Apart from the comprehensive Flemish-Latvian partnership agreement the common maritime interests are the most important item on the agenda. [passage omitted]

Van den Brande also had meetings with State President Guntis Ulmanis, with Foreign Minister Valdis Birkavs, and with his counterpart Prime Minister Andris Skele, with whom he signed the partnership agreement.

Today Van den Brande will travel to Lithuania, where he will be staying for two days. The Flemings hope to do business and sign some contracts in the port of Klaipeda.

Latvia: Ulmanis Meets With Flemish Prime Minister

WS0703111396 Tallinn ETA in English 2204 GMT 6 Mar 96

["Economic Bulletin" No. 42/1996]

[FBIS Transcribed Text] On Tuesday, March 5, the President of Latvia, Guntis Ulmanis, received the Prime Minister of Flanders, Luc van der Brande. Both statesmen valued highly the Latvia-Flanders agreement on cooperation and noted that both parties to the agreement will gain from it. Cooperation in areas of technology and education should be particularly successful.

During the meeting discussions turned to the problem of minorities in both states. Prime Minister van der Brande noted the problem of minorities exists in many European nations, and there is no ready made formula, applicable to all situations, to solve this problem.

Prime Minister van der Brande noted that the role in Europe of the Baltic nations should become more important.

Latvia's Prime Minister Andris Skele met Luc van den Brande, on Tuesday, March 5.

Prime Minister Andris Skele acquainted his guest with Latvia's economic policies and aspirations to enter the international institutions of Europe. Prime Minister van der Brande expressed his support for Latvia's integration into the economic and security structures of Europe.

An agreement on economic, technical, scientific, cultural, educational, and social policy was signed during the visit.

Luc van der Brande, met also with Latvia's Minister of Foreign Affairs, Valdis Birkavs. Prime Minister van der Brande told Mr. Birkavs that over the past few years Flanders has given much attention to the development of relations with the nations of Central and Eastern Europe. He emphasized the growing interest of the business community of Flanders in this regions as attested by the delegation of businessmen accompanying him on this visit. The Prime Minister also told Mr. Birkavs the parliament of Flanders would ratify the Latvia-EU association treaty this April or May.

Specific areas of cooperation were discussed. These include aid in restructuring Latvia's economy, development of small and medium business enterprises, attracting investments for joint ventures, exchange of know-how in technology and management, development of trade contacts, development of specific projects, and expansion of trade.

Opening of sea traffic between ports of Flanders and Latvia and direct airline routes between Latvia and Flanders were discussed. Wide possibilities for cooperation exist in such areas as education, science, culture, law enforcement, finances, law, and social security.

Lithuania

Lithuania: Brazauskas Holds News Conference With Polish President

LD0603141196 Vilnius Radio Vilnius Network in Lithuanian 0840 GMT 6 Mar 96

[News conference by Lithuanian President Algirdas Brazauskas and Polish President Aleksander Kwasniewski at the conference hall of the Lithuanian Seimas in Vilnius — live]

[FBIS Translated Excerpt] [Brazauskas] Good morning, ladies and gentlemen. My colleague Aleksander Kwasniewski is very much welcome in Lithuania. It is already

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the second day of his visit to Lithuania. We had a chance to talk, and you had a chance to talk to the president, too. Yesterday, we signed an agreement. Now, I would like to describe briefly the essence and the importance of this visit.

We discussed various questions, there was a number of topics. First, the areas which we discussed were issues of general political nature, that is, the attempts of our two countries, as equal partners, to more intensively join European and Transatlantic structures. I can state with satisfaction that our opinions in this respect are perfectly identical.

We also spoke about regional problems, that is, our relations with common neighbors, which are Russia and Belarus.

The third aspect, which perhaps involved the largest number of issues, was our bilateral relations.

The Polish president, speaking in the Seimas today expressed an opinion, which I fully support, about the border between Lithuanian and Poland. This border is not very long, but it is very important not only for our two countries, but for the neighboring countries, as well. An enormous flow of cargoes and people — both tourists and businessmen — is going through this border, through the checkpoints which we set up by our joint efforts. We have to achieve that this border becomes similar to the borders between European Union member countries. I hope we will manage to do this.

We spoke a lot about our national minorities, about the Lithuanians in Poland and the Poles in Lithuania, about their life and how it can be improved, what questions are there to be solved. I believe these questions are being solved.

We also mentioned the agreements or which are to be signed in the very near future, and I would like to emphasize the free trade agreement in this respect. [passage omitted]

I believe that we both have an impression that our economic cooperation could be wider and deeper. I can note that trade with Poland increased by approximately 30 percent last year, which is a considerable increase. I hope we will be able to maintain the same pace in the future, but conditions have to be created for this.

We said that border must be made open to the people who live near it, so that they would not encounter difficulties which they still face, because the checkpoints are very busy, and they are busy not only because of the Poles and Lithuanians or Polish and Lithuanian transport, but also because of the transit traffic. [passage omitted]

[Kwasniewski, in Polish with simultaneous translation into Lithuanian] I have just delivered a long speech in the Seimas, and I believe I said everything I wanted, but I would like to note several points briefly.

My visit is taking place at the moment when relations between Lithuania and Poland are very good, and I think that the visit will invigorate our cooperation. Indeed, we have act to expand our economic cooperation. A group of well-known Polish businessmen came with me to Vilnius. I believe that their communications will be beneficial. [passage omitted]

We signed an important declaration with President Brazauskas. This declaration outlines prospects for our future cooperation. The ministers of foreign affairs and defense signed important agreements, too, and these agreements are part of our concrete cooperation.

Mr. President, you spoke about the state border. We signed an agreement on the state border. The length of the border, if I am not mistaken, is 108 kilometers. I would like to note that previously people would talk about border of friendship, however, these borders were seldom genuine borders of friendship. I said in Vilnius that the border between Poland and Lithuania should be a border of friendliness and goodwill, first and foremost, in respect of the citizens. They should be able to cross this border without any bureaucratic troubles and waiting in queues. This border should unite two countries with (?old and extensive) cultural links. [passage omitted]

I would like to mention multilateral relations. We do not view participation in European Union or NATO as a space for competition. In Europe, integration process is taking place, and to join this process certain steps have to be made. An important step was taken in 1989, when the Warsaw Pact was abolished. Another important step was the unification of Germany, as was admission of Austria, Finland and Sweden to the European Union. Now, yet another step has to be made, which should be the expansion of the European Union and NATO. We view Lithuania, the Czech Republic, Hungary, the Slovak Republic and (?some other) countries as part of this process.

Of course, every country makes its own decision on how to approach the European structures and what should be the pace of this movement. However, as the president of Poland, I assured Mr. Brazauskas that on my behalf and on behalf of Poland there is a total understanding of Lithuania' aspirations and approval of these aspirations. [passage omitted]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Lithuania: Troops Leave for Combat Training in Poland

WS0603154096 Tallinn BNS in English
1015 GMT 6 Mar 96

[FBIS Transcribed Text] Vilnius, Mar 6, BNS — A group of 35 Lithuanian troops Tuesday left for Poland to be trained to fire grenade launchers.

Under a last year agreement between the Polish King Jogela Motorized Battalion and the Lithuanian brigade Gelezinis Vilkas (Iron Wolf), Lithuanian soldiers will take part in a 10-day exercise of firing grenade launchers in combat conditions, to be held on the training ground in Orzysz.

Deputy commander of the Gelezinis Vilkas, Lieutenant-Colonel Ricardas Ivancikas, also went to the neighboring country to coordinate plans of further cooperation between the Polish division and the Lithuanian brigade, the Defense Ministry's spokeswoman said.

Lithuania: Flemish Prime Minister Arrives on Official Visit

WS0703111296 Vilnius ELTA in English
1750 GMT 6 Mar 96

[From "News Bulletin" No. 962]

[FBIS Transcribed Text] Vilnius, March 6, ELTA — Luc van der Brande, Minister President of Flanders — a region in Belgium — arrived in Lithuania on Wednesday [6 March] after visits to Estonia and Latvia.

During a two-day official visit, van der Brande is to meet with Lithuanian President Algirdas Brazauskas, Premier Mindaugas Stankevicius and Transport Minister Jonas Birziskis. He is also to come to the agriculture ministry and the Conflict Prevention Centre. The Flanders' leader is to sign the Lithuanian-Flemish cooperation agreement.

Van der Brande is accompanied by a delegation of businessmen interested greatly in Klaipeda port.

According to the cooperation programme of Flanders with the Visegrad and Baltic states, the Flemish government has already supplied them with means used for training of specialists (including Lithuanian agriculture and seaport management experts) in this West European country.

Special courses are planned to be organized for managers of Lithuanian banks and telecommunication specialists.

Lithuania: Flanders Hopes To Use Klaipeda as 'Gateway to East'

WS0803114796 Tallinn BNS in English
1900 GMT 7 Mar 96

[FBIS Transcribed Text] Vilnius, Mar 7, BNS — Flanders will help sponsor the modernization of the port of Klaipeda, since in the future it hopes to use the port as a gateway to the East.

At a press conference in Vilnius on Thursday, the prime minister of Flanders Luc Van der Brande stated that an excellent transportation connection could be built between Klaipeda and the port of Antwerp. "All that is needed is to improve the infrastructure of your port and to deepen it," the Flanders leader said.

He reported that the northern region of Flanders was one of the most important economic zones of Belgium. "Seaports are especially important to our foreign trade," Luc Van der Brande stated.

The guest regretted that during his two-day visit to Lithuania he himself was unable to travel to Klaipeda. However, other specialists from Flanders had visited the port and would visit it more often in the future — technicians, businessmen and seamen, the regional premier said. The next such experts' visit is planned in two weeks.

Luc Van der Brande confirmed that Flanders intends very "concretely and pragmatically" to cooperate with the three Baltic states. On March 3, he started off on a visit to Tallinn, later travelling to Riga. In each country bilateral cooperation treaties were signed.

In Vilnius, the premier of Flanders met with president Algirdas Brazauskas, prime minister Mindaugas Stankevicius and with transportation, agricultural and foreign ministers.

Povilas Gylys, Lithuanian foreign minister who signed an agreement in the name of Lithuania, said that Flanders also intended to help create a Euroregion called Nemunas. To realize this project, it was necessary to intensify contacts between Southern Lithuania, Northern Poland, Eastern Belarus and the Kaliningrad region.

The possibility of creating such a Euroregion was discussed on a government level for the first time on Wednesday in Vilnius when Lithuanian and Polish foreign ministry leaders met, Gylys said.

According to Luc Van der Brande, Flanders also foresees helping to modernize Lithuania's railway infrastructure and to invest in several projects to revitalize Lithuanian agriculture.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Lithuania: Stankevicius Presents Government Program to Parliament

LD0703195196 Moscow INTERFAX in English 1717 GMT 7 Mar 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Prime Minister Mindaugas Stankevicius on Wednesday presented his government's program to parliament.

He told the legislature the program did not substantially deviate from that of the previous government but "concretized" its basic points.

The new program's principal objectives are to stabilize the national currency, further reduce inflation, stabilize and strengthen the banking system, pursue a tough taxation policy, enlarge the private sector and improve the social security system.

The government says it is essential to develop Lithuania's political and economic relations with the West and speed up the country's integration into the European Union and other European bodies, simultaneously lessening its economic dependence - primarily for energy - on the Commonwealth of Independent States. Therefore among its priorities the government includes bringing Lithuania's economic legislation into line with European Union standards.

The government also plans to keep the litas fixed at four litai to the U.S. dollar.

It also plans to draft a law on the taxation of business incomes which would introduce equal taxation terms for all categories of businesses.

Stankevicius said that by February 1 businesses accumulated tax arrears totaling 1.18 billion litai ($293.8 million), of which 664 million litai ($166 million) are fines for delays in paying taxes. The government is going to propose that those who pay current taxes be exempted from paying fines for the period from 1992 to 1994.

The prime minister said one of his government's tasks was to keep Lithuania's foreign debt at no more than 17 percent of gross domestic product by the end of the year and ensure that foreign loans obtained during 1996 do not exceed 25 percent of the state incomes budgeted for the year. Today about 40 percent of foreign loans is channeled into investment projects, Stankevicius said, promising to raise the figure to 70 percent.

A serious problem is ineffective use and heavy losses of energy, the prime minister continued. He said Lithuania owed Russia more than $36 million for natural gas and that consumers within Lithuania had built up arrears for natural gas, electricity, and heat which exceed $75 million.

The country's foreign policy priorities are the same as before - "developing friendly relations with neighboring countries which contribute to mutual trust and economic cooperation and ensure (Lithuania's) security, territorial integrity and economic prosperity."

The country's security is to be ensured "by diplomatic and political measures: by pressing for membership of NATO and for collective guarantees of security, by actively participating in the activities of the United Nations, the European Union, the Organization for Security and Cooperation in Europe and the North Atlantic Council."

As for its relations with Russia and other members of the Commonwealth of Independent States, Lithuania will base them on principles of equality and mutual benefit, the program says.

"Seeking stability in the Baltic Sea region, Lithuania is interested in the gradual demilitarization of the Kaliningrad Region of the Russian Federation," it says.

Consideration of the program by a plenary parliament session is tentatively scheduled for March 19. Before this the program is to be discussed by various parliamentary factions and committees.

If parliament approves the program, the government will remain in office, but for less than a year: there is due to be a new parliamentary election in October, after which the present government is to be disbanded.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

— Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.

— Headlines and all bracketed explanatory notes are supplied by FBIS.

— Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.